

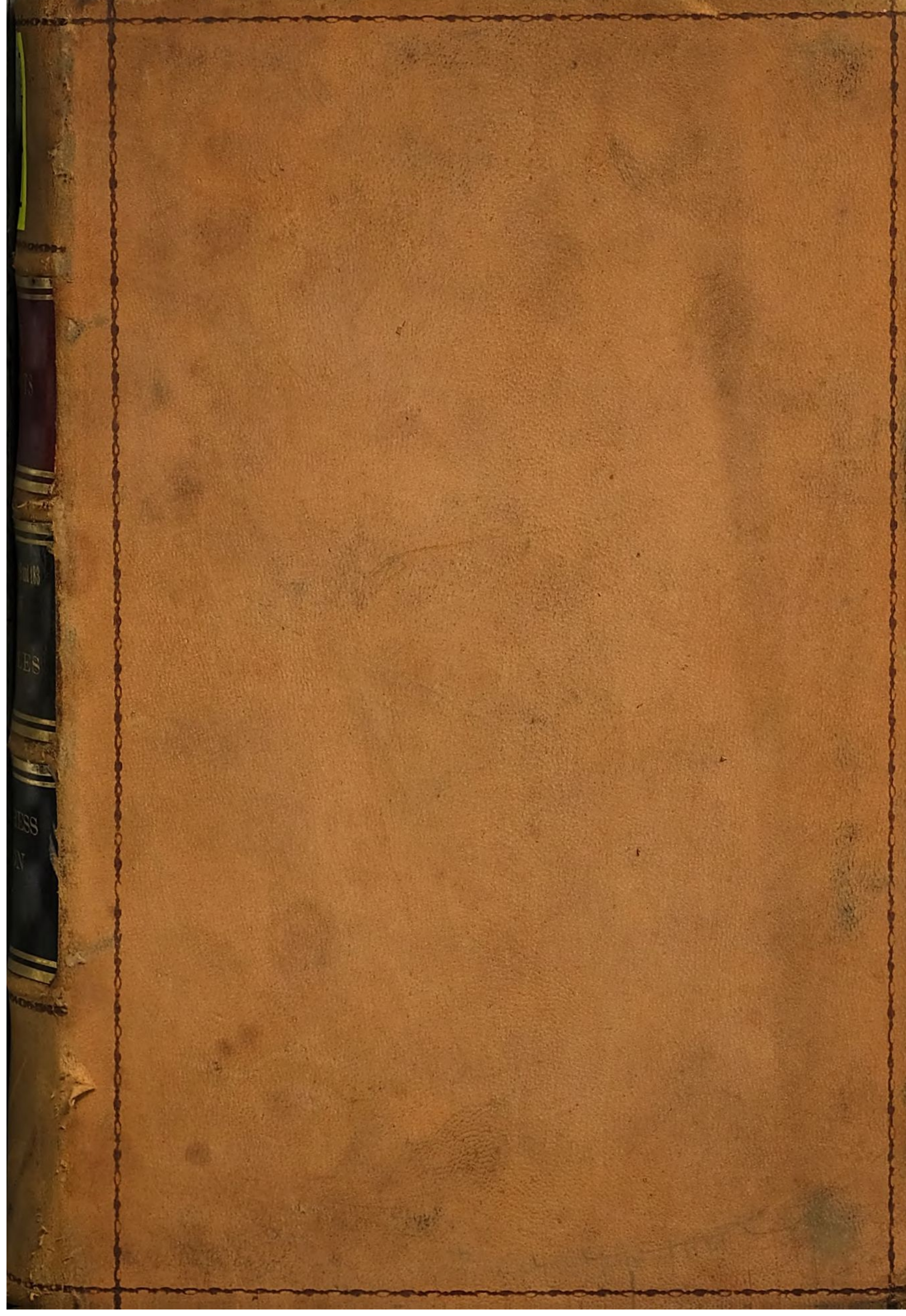
Senate documents

Bd.: [474.] 1896/97, Vol. 5 = Congress 54, Sess. 2

Washington, DC 1897

Am.b. 3040-474,5

urn:nbn:de:bvb:12-bsb11799792-3



Am. B. 3040 (474)

Proceedings



IMPROVEMENTS AT THE MOUTH OF THE BRAZOS RIVER, TEXAS.

FEBRUARY 20, 1897.—Referred to the Committee on Commerce and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE SECRETARY OF WAR, TRANSMITTING, IN ACCORDANCE WITH THE REQUIREMENTS OF THE RIVER AND HARBOR ACT OF JUNE 3, 1896, THE REPORT OF THE BOARD OF ENGINEERS APPOINTED TO ASCERTAIN THE CHARACTER AND VALUE OF THE IMPROVEMENTS MADE AT THE MOUTH OF THE BRAZOS RIVER, TEXAS, BY THE BRAZOS RIVER CHANNEL AND DOCK COMPANY.

WAR DEPARTMENT,
Washington, D. C., February 19, 1897.

SIR: In accordance with the requirements of the river and harbor act of June 3, 1896, I have the honor to transmit to Congress the report of the Board of Engineers appointed to ascertain the character and value of the improvements made at the mouth of the Brazos River, Texas, by the Brazos River Channel and Dock Company.

Very respectfully,

DANIEL S. LAMONT,
Secretary of War.

The PRESIDENT OF THE UNITED STATES SENATE.

REPORT OF BOARD OF ENGINEERS.

WASHINGTON, D. C., *February 18, 1897.*

SIR: The Board appointed to ascertain the character and value of the improvements at the mouth of the Brazos River, Texas, has the honor to submit the following report:

The instructions to the Board and the law under which it was constituted are given in the following letter from the Secretary of War:

WAR DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, December 2, 1896.

COLONEL: A Board of Engineers has been appointed, in accordance with the provisions of the river and harbor act of June 3, 1896, to ascertain the character and value of the improvements at the mouth of the Brazos River, Texas, as follows: Col. H. M. Robert, Corps of Engineers; Robert Moore, C. E., of St. Louis, and Stehman Forney, United States Coast and Geodetic Survey.

You are hereby appointed president and disbursing officer of the Board.

The duties of the Board are recited in the law, which is as follows:

“For the purpose of ascertaining the character and value of the improvements made at the mouth of the Brazos River, Texas, by the Brazos River Channel and Dock Company, a Board of Engineers, one of whom shall be a civil engineer, to be appointed by the President, one a member of the Corps of Engineers of the United

States Army, to be selected by the Secretary of War, and one a member of the Coast and Geodetic Survey, to be selected by the Superintendent of the Survey, shall personally make examination of the work done by said company for the purpose of deepening the channel and removing the bar at or near the mouth of said river. It shall be the duty of the Board so constituted to report the depth of water upon the bar at the time of their examination, the character of the work done, and the cost of the same, together with the value of said work to the Government of the United States, and such other information as they may deem essential. Said Board shall report the result of their investigation to the Secretary of War on or before the first Monday in December next, and the Secretary shall immediately transmit the report to Congress, and five thousand dollars, or so much thereof as may be necessary, is hereby appropriated to pay the expenses of the said Board and for the services of the said engineer, the amount of such compensation for said services to be fixed by the Secretary of War."

The amount available for the expenses of the Board, as stated in the law above quoted, is \$5,000, including the compensation of the civil engineer, which will be hereafter fixed by the Secretary of War.

Very respectfully,

DANIEL S. LAMONT,
Secretary of War.

Col. H. M. ROBERT,
Corps of Engineers, New York City.

The Board met in Washington, D. C., on December 11, 12, and 14, 1896; in Velasco, Tex., January 10-15, 1897, and in Washington, D. C., February 15-18, 1897, to complete its report.

At its first meeting the Board instructed its president to ask of the Brazos River Channel and Dock Company information on the following points:

- (1) The names and addresses of the officers of the company.
- (2) The name and address of the person who is authorized to represent the company in its dealings with the Board when the latter inspects the work done for the improvement of the mouth of the Brazos River.
- (3) An historical statement of the work done and the results accomplished each year in connection with the effort of the company to deepen the channel and remove the bar at the mouth of the river.
- (4) Such maps as will aid the Board in understanding the annual changes in the channel and bar since the company commenced its work.
- (5) A full detailed statement of the character of the work done by the company for the purpose of deepening the channel and removing the bar at or near the mouth of the river.
- (6) A detailed statement of the cost of the work done by the company for the purpose of deepening the channel and removing the bar at or near its mouth.
- (7) Any additional facts the company may wish to present that would throw light on the question as to the value of these works of improvement to the Government of the United States.
- (8) Commercial statistics, showing the number of vessels and kind, and their tonnage, both entering and leaving the Brazos River annually, since January, 1890.

The answers to these questions accompany this report, marked A.

Gen. W. W. Duffield, Superintendent of the United States Coast and Geodetic Survey, kindly offered to place at the disposal of the Board, for the purposes of this survey, the necessary field party under charge of one of the most experienced hydrographic officers of the service, Mr. H. L. Marindin. This offer was gladly accepted, as the reliability of the survey and its conformance with the other surveys of the Gulf Coast made by the Coast and Geodetic Survey was thus assured.

Mr. Marindin with his party left for the Brazos December 21, 1896, and returned to Washington January 31, 1897.

During the five days spent at Velasco, the Board personally examined the Brazos River for a distance of about 20 miles from its mouth, having the channel at the entrance sounded in its presence, and gave public hearings to all desiring to be heard on the questions before the Board.

After leaving Velasco the Board, by request, met certain gentlemen in Houston and heard their views expressed upon the importance of the work at the mouth of the Brazos River. On February 15, the Board

gave a final hearing in Washington, D. C., to the president and executive committee of the Brazos River Channel and Dock Company.

Every effort, consistent with accurate and thorough work, has been made to expedite this report, the Board being called together for its final session as soon as the results of the survey made by the coast survey party had been platted.

PHYSICAL CHARACTERISTICS OF THE BRAZOS RIVER.

The Brazos is one of the principal rivers of Texas. It rises in the northwestern part of the State and runs through the central or agricultural belt of Texas. Its length is about 800 miles, and its watershed embraces about 36,000 square miles. Its low-water discharge at Richmond, a point 70 miles above its mouth and below all important tributaries, was found by Lieutenant (now Captain) Zinn, Corps of Engineers, United States Army, in 1887, to be 800 cubic feet per second, but it is probable that it is sometimes much less. Its high-water discharge near its mouth is said to exceed 60,000 cubic feet per second.¹ The vertical range between low and high water is 42 feet at Bolivar Landing, 49 miles from the mouth; and at Waco, 430 miles from the mouth, it is 38 feet. At all stages it is navigable as far as Bolivar Landing for boats drawing about 4 feet; and in former times, before the railroad bridges which now cross it were built, small boats during high stages of the river went as far as Washington, 255 miles from the mouth. Above this point the river is obstructed by numerous shoals and rapids, which render navigation impracticable. It has no navigable tributary. The lower 16 miles has a width between banks of 300 feet at the upper end, increasing gradually to 600 feet, and a channel depth varying from 13 to 30 feet.

Unlike any other Texas river, the Brazos flows directly into the Gulf of Mexico without the intervention of a bay. Beyond the mouth the entrance is obstructed by a bar, which, before any works for its improvement were begun, had a low-water depth varying from 3 to 9 feet.² The position and direction of the channel were as variable as its depth. These uncertainties rendered the river practically valueless for commercial purposes, and led to the construction by the State, about 1858, of a canal about 10 miles long, leading from the river at a point, say, three-fourths of a mile above its mouth, into Oyster Bay and thence into Galveston Bay. A channel depth of about 4 feet was for a number of years maintained by dredging. Of recent years it has been somewhat neglected. In August, 1896, Lieutenant Judson, Corps of Engineers, in reporting the results of a recent examination, says that its width varied from 40 to 80 feet, with a maximum depth in cross sections varying from 2 to 7 feet, but generally from $2\frac{1}{2}$ to 3 feet.

¹ See paper on "The Brazos River Improvement," by Geo. Y. Wisner, in Transactions American Society of Civil Engineers, November, 1891, page 523. Where Mr. Wisner is cited hereafter it will be upon the authority of this paper.

² The investigations of the Board make it probable that the plane of reference used by the Brazos River Channel and Dock Company is the same as that used in all Government surveys previous to 1891. Mr. Marindin's survey, made under the direction of the Board, shows that the plane used by the company is five-tenths of a foot below the true mean low-water plane, as determined by the United States Coast and Geodetic Survey. Therefore five-tenths of a foot should be added to the depths stated in reports of the engineer officers previous to 1891, and the same amount added to the high-water depths given by the Brazos River Channel and Dock Company. The low-water depths stated above are taken from the report of Major Ernst, and have been corrected as above indicated. To reduce the soundings given on the maps of the company's surveys to the plane of mean low water used in the Coast Survey charts, 1.3 feet should be deducted.

FORMER PROJECTS FOR DEEPENING THE ENTRANCE.

Several projects for deepening the entrance to the river have been made prior to the one which this Board has been charged to investigate. In 1866 the Brazos Internal Improvement and Navigation Company was chartered by the legislature of Texas for the purpose of deepening the channel over the bar and improving the river, but after various unsuccessful efforts to secure a subsidy from the State the project was about 1874 finally abandoned.

The next year Capt. C. W. Howell, United States Engineers, then in charge of works on the Texas coast, reported a project for removing the bar and strongly recommended its adoption by the Government. This project consisted of two converging jetties of closely driven palmetto piles, each five-eighths of a mile long and 400 feet apart at their outer ends. In 1880, \$40,000 was appropriated by Congress to begin the work.

Before the work was begun, however, Maj. S. M. Mansfield, who in February, 1880, succeeded Captain Howell, proposed an amended project, which, in September of the same year, was approved by a Board of Engineers, consisting of Colonels Tower, Newton, and Abbot, and a month later by the Chief of Engineers and the Secretary of War. This project was for parallel jetties, to consist of brush, stone, and concrete, instead of piles. They were to be carried to 18 or 20 feet of water. The approximate length of the north jetty was to be 3,600 feet, and of the south jetty 4,350 feet, and the cost was estimated at \$522,890. The depth of water to be gained by the works was not expected to be more than 10 feet at mean low water. Work was begun on this project in 1881, and continued by annual appropriations until 1886, when further operations were suspended for lack of funds. Up to this time \$139,831, or 27 per cent of the original estimate, had been expended. As the result of this expenditure the north (or east) jetty was partly completed for a length of 2,433 feet, and the foundation of the south (or west) jetty laid for 700 feet.

In September, 1887, Maj. O. H. Ernst, who had succeeded Major Mansfield, reported as the result of a recent survey of the works that, owing partly to subsidence and partly to the removal of the top courses by the waves or by the action of the teredo, a considerable part of the north jetty—the only one on which more than the foundation work had been done—had disappeared. As regards the results obtained in regulating and deepening the channel he found but 9 inches of water between the jetty lines, and the channel, instead of running southeast as intended, turning off at a right angle to the northeast and crossing the jetty at a point 600 feet from its outer end.

In view of these discouraging results, and in view also of the small volume of water in the river during low water and the absence of a tidal basin of sufficient magnitude to produce any considerable scouring effect, he gave it as his opinion that better results in opening the river for commerce would be obtained by deepening the Galveston and Brazos Canal, and recommended that the jetty project be abandoned. In this opinion the Chief of Engineers in a letter to the Secretary of War, dated January 11, 1888, expressed his concurrence.

THE BRAZOS RIVER CHANNEL AND DOCK COMPANY.

While this investigation was pending and before the opinion was rendered, viz, April 1, 1887, the legislature of Texas added to the general statutes a new chapter authorizing the creation of private corporations

for the purpose of constructing, owning, and operating deep-water channels from the waters of the Gulf of Mexico to the mainland and for constructing, owning, and operating docks in connection with such channels. Under the provisions of this new law there was organized February 16, 1888, the Brazos River Channel and Dock Company. By the terms of the law the new company was, so far as could be done by State authority, vested with power to construct, own, and operate a deep-water channel from the Gulf of Mexico into and along the Brazos River into the mainland as far as "may be necessary to reach a place for its docks that will afford security from cyclones, storms, swells, and tidal waves, with such depth as may suit its convenience and the wants of navigation, not less than 10 feet, and a width of not less than 40 feet."

For furnishing to vessels the facilities for navigation the company is authorized to charge and collect tolls not to exceed "1 cent per barrel bulk of the capacity of each vessel for each mile of the length of its channel used by the vessel going either way." It is also authorized to condemn and appropriate for its necessary uses and purposes the lands of any person or corporation and to hold as its right of way the "actual width of its channel and not more than 300 feet in width on each side of it, with a proviso that through arable land it can acquire by condemnation no more than 150 feet on each side from the edge or boundary of said channel." The company as a dock corporation is authorized to construct, own, and operate docks and to hold such real estate as may be necessary therefor or for the construction, use, and enjoyment of such warehouses as may be necessary to the receiving and discharging of goods and merchandise, and to collect tolls therefor. As a dock corporation, however, it is not vested with the right of condemnation.

In confirmation and further assurance of the foregoing rights and privileges, the company procured the passage by Congress of the act of August 9, 1888, entitled "An act for improving the mouth of the Brazos River," whereby the Brazos River Channel and Dock Company is authorized to construct, own, and operate jetties and other auxiliary works for the purpose of creating a navigable channel at the mouth of the Brazos River and thence into the mainland between the banks of said river, and to charge and collect tolls therefor, subject to such regulations as may be made by the Secretary of the Treasury of the United States; provided, however, that work shall be substantially commenced within one year from the date of the act; and that within three years, to wit, on or before August 9, 1891, the company shall secure a navigable depth of 12 feet of water from a point in the river beyond the reach of storms and tidal waves across the bar to a depth of 12 feet in the Gulf of Mexico, and shall secure an additional depth of not less than 2 feet during each of the three succeeding years, so that on or before August 9, 1894, a depth of 18 feet shall have been secured; any failure to comply with these conditions as to depth of water and time for any period of twelve months in excess of the time fixed as aforesaid, to work a forfeiture of all privileges under the act without action by Congress.

Section 3 of said act reserves to the United States the right to pay to the company the value of their works, either during their construction or after their completion, whereupon all right of the company to said works and to the franchises under which they were built shall cease.

In connection with the foregoing and as a part of the same enterprise, a large body of lands near the mouth of the river, amounting to about 26,000 acres, were about this time acquired by the same parties,

the title to these lands being held by the Texas Land and Immigration Company, a company incorporated under the provisions of a former constitution by a special act of the legislature of Texas, approved October 24, 1871.

OPERATIONS OF THE COMPANY.

Early in 1888 a preliminary survey of the lower Brazos and its mouth was made by the new company, the results of which were reported by Mr. E. L. Corthell, the chief engineer of the company, under date of March 31, 1888. His conclusions are the exact opposite of those reached a few months before by the Government engineers. The Galveston and Brazos Canal he finds utterly inadequate, and its maintenance "absolutely impracticable." As regards the river on the other hand, he is "clearly of the opinion that a channel 20 feet deep, 150 feet wide at that depth, with a central depth of 23 feet, can be obtained at the mouth of the Brazos by the construction of suitable jetties, and that the river itself, from the landward end of the jetties to the deep pool, about 3 miles above the mouth of the river, will also be deepened to 20 feet as a secondary but important result of the jetties."

His plan of the jetties was not very different from that of Major Mansfield, and was substantially the same as that already used at the South Pass mouth of the Mississippi River. It consisted of parallel jetties, about 4,000 feet long or to the 18-foot curve, made of brush mattresses sunk by loading with stone, and then crowned, for the outer half of their length, with stones weighing from 1 to 5 tons, or concrete blocks built in place. The ends were to be "solid pier heads of cribs and heavy blocks of stone or concrete." He also urged the vital importance of rapid construction, in order to prevent the formation and extension of a new bar during construction and to minimize the destructive action of the waves upon uncompleted work. The final results of the work should also be assisted and hastened by dredging. In a second report, dated November 17, 1888, as the results of further study, the foregoing views are confirmed, and the opinion confidently expressed that with vigorous work a good navigable depth for the ordinary class of vessels will be obtained within twelve months from the date of commencing work, and the full depth of 20 feet, with a maximum of 23 feet, secured within two years from the same date.

After further surveys work under the plan as outlined above began March 28, 1889, and after many interruptions, and the lapse of seven years, ended April 1, 1896. During this period the work has experienced many vicissitudes. It has been carried on by a contractor, by a receiver, by a reorganization committee, and by the company. There have been three chief engineers, each of whom has resigned, and for a time the work appears to have been carried on without any engineer. As a consequence, it is not practicable now to find out exactly what has been done. It is clear, however, from the testimony of Mr. Wisner, at one time chief engineer, and others, that through mismanagement and misfortune much work and much money have been wasted.¹ The interruptions, which are fatal to economical work, and which amounted to nearly two and one-half years, would of themselves make this conclusion certain.

In a general way the work done consists of two straight and parallel jetties spaced 560 feet apart from center to center, the east jetty being 4,708 feet and the west jetty 5,018 feet long. On the inner side of the

¹ See Wisner, as above, pages 528, 529, 532, 535, 549, 550, 551.

main jetties and attached thereto wing dams or spur dikes of piles and brush loaded with shells and clay, 60 feet in length from the center lines of the jetties, have been built. These are placed about every 400 feet along the jetties and opposite to each other in pairs. The open space between the ends of each pair is, therefore, about 440 feet. The purpose of these spur dikes was to keep the channel in the center and to prevent undermining of the main jetties. The jetties themselves consist largely if not mainly of brush mattresses covered with stone. The mattresses were built in place on frames suspended from a trestle-work of piles. The lower mattresses were sunk by loading them with shells and small stones such as could be handled by one man. Larger stones were used on the upper courses, and the top, which is above water, is covered with stones weighing from one to several tons. These larger stones were placed with some care by means of a derrick, and the condition of the work, so far as it can be made out by inspection now, is fairly good. The jetties as shown by the company's maps have not been carried to the full length intended, 250 feet being lacking on the east and 350 feet on the west jetty; and nothing like a pier head has been attempted.

For the purpose of controlling and deepening the channel of the river, wing dams like those between the jetties, heretofore described, have been built out from the banks for about 5 miles upstream to the new town of Velasco.

RESULTS ACCOMPLISHED.

The result of these works, as claimed by the company and shown on their maps, has been to replace the channel depth of 6 feet, found in March, 1889, before the works were begun, by a depth of 20 feet in March, 1896.

In considering this claim it should be noted, in the first place, that the depths given are measured, not from the usual standard of mean low water, but from the plane of "average flood tide" or mean high water, by which, as hereinbefore explained, all soundings are increased 1.3 feet. The reason given on behalf of the company by Mr. Corthell for this departure from the common usage is that in consequence of a special provision of the act of March 3, 1875, authorizing the construction of the South Pass jetties, all soundings there were referred to average flood tide, and that the same plane of reference was used by him at the Tampico jetties. But as no such provision is contained in the act authorizing the Brazos River works, and as the use of any plane but that of mean low water is to violate almost universal usage and introduce misunderstanding and confusion, we think the new custom will be more honored in the breach than in the observance, and that all soundings should be stated in the usual way. Doing this, we find that the limiting depth over the bar and between the jetties, at different dates, has been as follows:

	Feet.
March, 1889, before the jetties were begun, as reported in Mr. Wisner's paper, page 532.....	4.7
December, 1891, as shown by United States Coast Survey chart.....	14.5
March, 1896, after completion of the jetties, as shown by survey of the Brazos River Channel and Dock Company	19
January, 1897, as shown by the survey made for the Board by Mr. H. L. Marin- din, United States Coast and Geodetic Survey	14.8

From these figures it appears that while between March, 1889, and March, 1896, there was a deepening due to the jetties of 14.3 feet, there has since the latter date been a shoaling of 4.2 feet. This change

in the channel depths at different seasons of the year is of the same kind as those observed by the United States engineers before the jetties were begun, and are due to the same cause, namely, the different stages of the water in the river.

The survey of March, 1896, when a channel depth of 19 feet was found, was made soon after a freshet, while that of January, 1897, when 14.8 feet were found, was made after a period of comparatively low water. Doubtless the channel depth will increase after the next freshet, and then diminish, as it has done last year. A series of observations extending through several years is necessary to determine to what extent the shoaling may go in very dry seasons, but the experience of the last year shows that the jetties alone can not maintain a channel depth of over 15 feet at mean low tide. To secure more than this at all seasons will require a resort to dredging.

The survey just made also brings out the fact that in the river about a mile above the shore end of the jetties there is a shoal several hundred feet long on which the ruling depth is only 14.3 feet. This bar is shown on the Coast Survey chart of 1889, since which time it appears to have remained substantially unchanged. Its removal will no doubt require dredging. A half mile farther up the river is another bar with a ruling depth of 13.7 feet at mean low water. Mr. Marindin's survey shows that 2 miles of dredging would be required to give a navigable channel 16 feet depth up to Velasco, one-half of this being at the entrance, between the jetties and just above.

COST OF THE WORKS.

Three estimates of cost are found in the papers submitted to the Board, two by Mr. Corthell, consulting engineer, and one by Mr. Abner Taylor, president of the Brazos River Channel and Dock Company. Mr. Corthell's first estimate is found in his report to Mr. Taylor, dated April 11, 1896; the second is given in his statement of January 9, 1897, addressed to Col. H. M. Robert, president of the Board. As these two agree substantially, the latter only need be considered. It is as follows:

Cost of jetties and auxiliary works to March 31, 1896	\$1, 062, 342. 44
Interest	375, 000. 00
Receiver and other legal expenses	39, 500. 00
Reorganization committee	80, 500. 00
Lee, general manager	20, 000. 00
Legal expenses, one-half total cost	10, 500. 00
Right of way along river bank	65, 000. 00
Railroad and terminal facilities	740, 000. 00
Two hotels and roadbed for electric railway	120, 000. 00
Artesian well, buildings, etc	18, 000. 00
Docks and warehouse at Velasco	24, 500. 00

Total 2, 555, 342. 44

Mr. Taylor's estimate is given in his letter of December 28, 1896, to Col. H. M. Robert, president of the Board, and is as follows:

Cost of jetties and auxiliary works	\$1, 086, 025. 00
Interest to March 31, 1896, at 6 per cent	363, 000. 00

Total 1, 449, 025. 00

"To which," he says, "should be added interest from March 31, 1896, to date, and also such sums, if any, as to the Board may seem proper to allow, for services of the officers of the company and general superintendence. We estimate the fair cost of the work, with interest upon

expenditures to date and a reasonable return for services, at not less than \$1,500,000."

In view of this statement of Mr. Taylor, even if there were nothing more to be said, we may drop at once from the account as stated by Mr. Corthell all sums paid to the receiver, the reorganization committee, and the general manager, as well as the sums paid for the hotels, the railroad, the river right of way, etc., amounting in all to \$1,118,000, and consider only the first two items, viz, the cost of the jetties and auxiliary works and interest. In Mr. Corthell's statement these items amount to \$1,437,342, or \$11,683 less than the figures given by Mr. Taylor. As this difference is less than 1 per cent of the total, the two accounts may, under the circumstances, be considered as in substantial agreement. For further discussion we may assume Mr. Taylor's figures, which give the largest sum, as representing the views of the company. These figures in detail are as follows:

Office building at Velasco	\$3, 324
Rock, 107,846 tons, at \$3.015	325, 178
Brush, 46,784 cords, at \$1.70	79, 776
Construction pay roll, including superintendent	92, 866
Engineering pay roll and outfit, including instruments, preliminary and other surveys	44, 173
Construction expense, including charter of tugs, wages of crew, engine supplies, coal, etc	53, 756
Construction plant	30, 575
Dredge	9, 425
Construction supplies, driftbolts, rods, etc	6, 414
Materials, iron, steel, lumber, lath yarn, etc	15, 577
Piling	13, 976
Clay for wing dams	920
Concrete blocks	13, 960
Incidental expenses, including office pay roll, stationery, taxes, traveling expenses, properly chargeable to construction of jetties	50, 327
Office furniture	1, 394
Wharf at Quintana	1, 677
Wharf on west jetty	750
Wharf on east jetty	564
Telegraph line, Quintana to Columbia	1, 400
Artesian well at Quintana	2, 656
Buildings, blacksmith shop, oil houses, etc	2, 322
Office buildings	1, 123
Channel improvements, dredging river, etc	12, 568
Telephone line, Velasco to Quintana	135
Extra construction, amount paid Gustav Wilke at close of his contract:	
East jetty, 2,800 linear feet	\$123, 295
West jetty, 3,200 linear feet	140, 400
Sixteen wing dams	7, 500
	271, 195
Legal expenses	10, 500
Expenses of receiver	27, 500
Costs paid clerk United States court	1, 000
Expenses receiver's attorney	11, 000
Cost of jetties and auxiliary works	1, 086, 025
Interest to March 6, 1896, at 6 per cent	363, 000
Total	1, 449, 025

The amounts charged in the above account for interest (\$363,000), and for legal and receivership expenses (\$50,000) should not, in the opinion of the Board, be included in the cost of the works, so far as this inquiry is concerned. Taking these out, the cost, according to the company's statement, is \$1,036,025. Of this amount the payment of \$271,195 the Board understands to have been made in securities. The

remainder (\$764,830) was, so far as the Board's information goes, paid in cash.

That this amount in cash and securities was actually spent the Board has no reason to doubt. That much of it was unwisely spent is also beyond question.

The work was commenced under a contract with Gustav Wilke, dated December 24, 1888, which led to much trouble. The difficulty was finally settled by Mr. Wilke abandoning the work and the company paying him \$271,195. Mr. Wisner, the resident engineer at the time, and afterwards chief engineer, thus described some of these troubles:

In December following (1888), a contract was let to construct the jetties and create a 20-foot channel between the Gulf and mouth of the river, the contractor to receive payments only as certain results were obtained. The work was to be done in accordance with the plans and specifications of the chief engineer of the company, but the only stipulation made as to the material to be used and the character of work was that the jetties and auxiliary works were generally to be similar to those at the mouth of South Pass of the Mississippi River. To the weakness and anomalous features of this contract may be ascribed the trouble that has harassed the company for two years, and which on two occasions has nearly wrecked the enterprise. The fact that the contractor was to be responsible for results should have carried with it the right to originate, design, and construct the works, so long as the material used and work done were of a permanent character. On an enterprise of this kind, where unfinished work was liable to damage at all times and the results expected were dependent on unknown quantities, with the design and direction of the work resting with one party and the responsibility for results with another, a conflict was inevitable.¹

In speaking of the first season's work, Mr. Wisner says:

No trouble was experienced on the half mile of work lying inside of the crest of the bar, but beyond this the force of the waves was such that a more substantial structure was needed; and the contractor was surprised at the ease with which mats ballasted with 600 pounds of sandstone to each cord of brush were removed from the jetties by the waves and the material distributed for miles along the shore. [Page 528 of Mr. Wisner's paper, heretofore referred to.]

And again, when speaking of the condition of the work when discontinued in November, 1889 (p. 529), he says:

The trestle was, however, unfortunately completed to a distance of 5,000 feet from shore on the west jetty, and 4,000 feet on the east jetty, which latter having no mattress to protect the bottom from scour, the waves cut a trench along the line of the open piling, of such a depth that the amount of mattress work finally required was nearly double that which would have been necessary if the work of jetty construction had been carried on simultaneously with that of the trestle.

To losses due to causes like these add the damages by the waves to the unfinished work during the frequent interruptions and it becomes evident that the enhancement of the cost beyond what it might have been with better management and more fortunate financial conditions must be large, but just how large it is, of course, is impossible now to tell. To rebuild the works either by the Government or by a private corporation with ample resources and good management would, in the opinion of the Board, cost about \$600,000.

VALUE OF THE WORKS TO THE GOVERNMENT.

The last question submitted to the Board is as to the value of the works to the Government of the United States. The answer to this depends largely upon the answer given to the further question whether

¹ Page 527 of Mr. Wisner's paper, heretofore referred to.

or not there are good reasons for opening the mouth of the Brazos at all. For if not, the works, no matter what their excellence nor how great their cost, can have no value whatever to the Government of the United States.

Upon this question of the value of the Brazos River to commerce the considerations submitted by Mr. Foster, manager of the Brazos River Channel and Dock Company, are very important. There can be no doubt that the opening of the Brazos River to navigation by small boats and barges and the establishment at its mouth of a port for vessels drawing 18 or 20 feet would reduce the rates for transportation throughout the whole valley, not only on the freight actually carried by the river, but also upon all which might be thus carried, even though it might actually go by rail. The lowest rate made by any transportation line must be the rate for all. It is also highly probable, as stated by Mr. Foster, that such a port would become the terminus of new lines of railway, and thereby become an important factor in commerce without any reference to the navigation of the river. The commerce which has already come to Velasco, in spite of the uncertain and unfavorable conditions which have there prevailed, is an evidence of this. So that in the judgment of the Board there are valid commercial reasons for opening the mouth of the Brazos if it can be successfully done.

Upon the feasibility of such an opening as an engineering question, the Board, though of the opinion that a series of observations running through a period of low water in the river is very desirable, is inclined to answer in the affirmative. In times of low water in the river dredging will no doubt be required, but the appliances for this purpose have, during recent years, been so greatly improved that the cost of such work has been largely reduced. This reduction will be still greater from the fact that the work can probably be done with the same plant which the Government will have to maintain for Galveston. The experience of the last eight years has made it reasonably certain that, with the aid of dredging, the maintenance of a channel at the mouth of the Brazos with 18 feet depth at mean low tide is practicable. Whether more than this can be accomplished without an unreasonable expense the Board is not prepared to say.

But the experience of these years has also made it perfectly clear that so long as this port is in control of a private company its value to commerce must always be small. So long as there is a free port with deeper water at Galveston, 40 miles distant, it will be impossible for the Brazos River Channel and Dock Company to collect channel dues at the mouth of the Brazos. But without such dues or some equivalent tax upon the commerce of the port no company can afford to bear the burden of maintaining the channel. The magnitude of this burden is evident from the statement of Mr. Corthell, who in his letter of April 11, 1896, to Mr. Abner Taylor, president of the company, estimates the ordinary expense of maintaining the works as follows:

In my opinion the jetties are now in such condition that within the ordinary expense of maintenance, not exceeding \$50,000 per annum for five years, and not exceeding \$25,000 per annum for five years thereafter, a good, navigable channel, at least 18 feet in depth, can easily be maintained with only an occasional resort to dredging. Thereafter the annual expense should not be more than from \$5,000 to \$10,000.

The present value of these outlays (which contain no provision for completing the jetties and building pier heads), capitalized at 5 per cent, is

nearly \$400,000.¹ In view of the magnitude of this burden and the doubt as to the willingness or ability of any company to bear it, no prudent business man can afford to locate himself at this port so long as its permanence is dependent upon the fortunes of a private corporation. Until the responsibility for the maintenance of the channel is assumed by the Government the confidence necessary to invite capital and inspire enterprise will be impossible.

Another consideration affecting the value of this port to commerce is the fact that the greater part of the river front for 10 miles from the inner end of the jetties (about 19 miles of river bank in all) and the greater part of the adjoining lands, amounting to about 26,000 acres, have a single ownership. For while the Brazos River Channel and Dock Company and the Texas Land and Immigration Company are distinct corporations, they are under the same management, and, as the Board understands, are owned by the same persons. But so long as this ownership of the river front continues, competition in wharfage will be a matter of great difficulty. And so long as the present ownership of the land remains, the enhanced values, which are expected to result from the completion and maintenance of the works at the mouth of the river and which led to their construction, will accrue to a comparatively few persons. So that while this single ownership has increased the private interest in these works it has decreased the public interest therein.

To remove the objection growing out of this ownership so far as it concerns the river front, the Brazos River Channel and Dock Company, in a communication to the Board, which is appended hereto (Appendix R), have offered to dedicate to the public 1 mile of the river front either all on one side of the river or partly on one side and partly on the other. And in the opinion of the Board the making of such a dedication should be a condition precedent to any assumption of responsibility for the maintenance of the harbor by the Government.

But if this be done, it is the opinion of the Board that the maintenance of the harbor will be of a sufficient public interest to justify the Government in undertaking to complete the works and to maintain the channel at as great a depth as may be found practicable and as the interests of commerce may demand.

The Board, however, does not think that any payment for so doing should be made to the company by whom the works were constructed any more than to the many municipal corporations by whom in the past large sums have been spent in harbor construction without repayment by the Government. The taking from the company the heavy burden of the perpetual maintenance of the harbor and the securing to them the enhanced value of their lands that will follow from placing the works in charge of the Government is all that should be done.

Appended herewith is a list of the papers, maps,² etc., which accompany this report.

The Board, in conclusion, desires to record its appreciation of the assistance given to it by Gen. W. W. Duffield, Superintendent of the

¹ Present values at 5 per cent of annual payments as follows:

\$50,000 for five years	\$216, 474
\$25,000 for next five years	84, 803
\$7,500 per year after ten years	92, 086
Total	393, 363

This is, presumably, for a channel 18 feet deep at "average flood tide," this being the plane of reference elsewhere used by the company.

² Not printed.

Coast and Geodetic Survey, in detailing Mr. H. L. Marindin, assistant, with a complete hydrographic party for making such surveys as the Board deemed necessary, and also for the aid and courtesies extended to it in the office of the Coast Survey during its final deliberations.

Respectfully submitted.

HENRY M. ROBERT,
Colonel, Corps of Engineers, U. S. Army.
 STEHMAN FORNEY,
Assistant, U. S. Coast and Geodetic Survey.
 ROBT. MOORE,
Civil Engineer.

The Honorable the SECRETARY OF WAR,
Washington, D. C.

(Through Brig. Gen. John M. Wilson, Chief of Engineers, U. S. A.)

[First indorsement.]

OFFICE CHIEF OF ENGINEERS, U. S. ARMY,
February 19, 1897.

Respectfully forwarded to the Secretary of War.

This report is submitted under the terms of the river and harbor act of June 3, 1896, providing for the appointment of a Board of Engineers to ascertain the character and value of the improvements made at the mouth of the Brazos River, Texas, by the Brazos River Channel and Dock Company.

The act directs that "said Board shall report the result of their investigation to the Secretary of War * * * and the Secretary shall immediately transmit the report to Congress."

JOHN M. WILSON,
Brig. Gen., Chief of Engineers.

LIST OF PAPERS, MAPS, ETC., TO ACCOMPANY REPORT OF BRAZOS RIVER BOARD.

(1) Replies made by Col. Abner Taylor, president of the Brazos River Channel and Dock Company, in response to request of the president of the Board of December 15, 1896, for information relative to the company, the history of the work, etc. Appendix A.

(2) Memorandum of maps and charts, with explanatory notes, furnished by the company for the use of the Board. Accompanying this memorandum are the maps and charts, 18 in number. Appendix B.

(3) Report of H. L. Marindin, assistant United States Coast and Geodetic Survey, dated February 12, 1897, showing the physical conditions of the improvements at the mouth of the Brazos River. Accompanying this report are blue prints or tracings of the following, the originals of which are filed in the United States Coast and Geodetic Survey Office: No. 1, Brazos River jetties and river, scale 1:50,000; No. 2, cross sections jetties, scale 10 feet to the inch; No. 3, comparative tracing submerged contour off jetties, scale 1:10,000. Appendix C.

(4) Communication of E. L. Corthell, civil engineer, of January 9, 1897, giving the Board, in behalf of the Brazos River Channel and Dock Company, a general description of plans and materials of Brazos River jetties. Appendix D.

(5) Letter from Mr. Corthell to the Board of January 11, 1897, supplementary to his communication of January 9. Appendix E.

(6) Communication to the Board by L. L. Foster, manager Brazos River Channel and Dock Company, of January 14, 1897, on the subject of the acquisition and control by the General Government of the jetties and auxiliary works of the company. Appendix F.

(7) Approximate estimate submitted to the Board by E. L. Corthell January 8, 1897, of materials used in the Brazos River jetties and auxiliary works from the beginning of the work to the present time. Appendix G.

(8) Copies of contracts between Gustav Wilke and the Brazos River Channel and Dock Company of December 24, 1888, and January 10, 1890, for material for jetty construction. Appendix H.

(9) Copy of charter of the Brazos River Channel and Dock Company. Appendix I.

(10) Copy of charter of the Texas Land and Immigration Company. Appendix K.

(11) Copy of charter of the Velasco Terminal Railway Company. Appendix L.

(12) Letter of A. Boschke, general manager Texas Coast Canal Company, inclosing an address to the Brazos River Channel and Dock Company, on the advantages to follow the improvement of the Brazos River. Appendix M.

(13) Letter from Guy M. Bryan, of Quintana, Tex., of January 23, 1897, forwarding statement on the ownership of the frontage on the Brazos River. Appendix N.

(14) Communication to the Board from the Waco Commercial Club, of Waco, Tex., of January 28, 1897, relative to the navigation of the Brazos River. Appendix O.

(15) Memorandum furnished by Frank Caldwell, cashier Brazos River Channel and Dock Company, showing the different receiverships of the company. Appendix P.

(16) Stenographer's report of public hearing given by the Board at Velasco, Tex., January 11, 1897. Appendix Q.

(17) Letter to the Board from Col. Abner Taylor, president Brazos River Channel and Dock Company, dated Washington, D. C., February 15, 1897, on the subject of the ownership of lands by the company on the Brazos River, and making certain offers to dedicate 1 mile of the river front to public uses, provided the Government takes charge of the improvement. Appendix R.

(18) Tracing prepared by E. D. Dorchester, secretary Brazos River Channel and Dock Company, showing ownership of lands at or near Velasco, Tex. Appendix S.

(19) Blue print of Brazos River Channel and Dock Company's survey of March, 1889, before construction. Appendix T.

APPENDIX A.

LETTER OF PRESIDENT OF BRAZOS RIVER CHANNEL AND DOCK COMPANY.

VELASCO, TEX., *December 28, 1896.*

SIR: Replying to your official communication of the 15th requesting certain information of the Brazos River Channel and Dock Company, I beg to submit the following reply to the questions therein propounded, in the order in which they were presented.

NAMES AND ADDRESSES OF OFFICERS OF THE COMPANY.

(1) Directors: Abner Taylor, president, Chicago, Ill.; Horatio G. Curtis, vice-president, Boston, Mass.; Ira H. Evans, Austin, Tex.; Edmund M. House, Austin, Tex.; Charles B. Farwell, Chicago, Ill.; R. L. Heflin, New Orleans, La.; J. Otis Wetherbee, Boston, Mass.; Leverett S. Tuckerman, Boston, Mass.; John M. Edmunds, Boston, Mass.; Charles A. Vialle, Boston, Mass.; Wm. H. Coolidge, Boston, Mass.; Ernest D. Dorchester, secretary, Velasco, Tex.; J. M. Moore, treasurer, Velasco, Tex.; L. L. Foster, manager, Velasco, Tex.

(2) With the permission of the Board, Elmer L. Corthell, civil engineer, and L. L. Foster, manager, will represent the company before the Board.

(3) HISTORY OF THE WORK.

Acting under authority of the act of Congress authorizing this company to build jetties, etc., a preliminary survey of the river and Gulf was begun in December, 1888, and concluded March 7, 1889. (See map No. 1.)

Under the general supervision of Mr. Corthell and the immediate supervision of George Y. Wisner and A. E. Kastl, civil engineers, work on the construction of the jetties was begun March 28, 1889, and continued without interruption until the 1st of November, 1889. Work was suspended from the 1st of November, 1889, to the 1st of January, 1890, when it was then resumed and continued until the 1st of September, 1890.

The financial troubles resulting in the failure of Baring Bros. and others caused the company to be put into the hands of a receiver in September, 1890, and work was suspended until March, 1891. It was resumed by the receiver and carried on with a full force until July, 1891, and from that day until March, 1892, with a reduced force. From March, 1892, to March, 1893, nothing was done except to repair the jetties and to manufacture concrete blocks for use thereon. From March, 1893, to July, 1893, the work was pushed by the receiver with vigor.

From July, 1893, to January, 1895, no attempt was made to extend the jetties seaward. The only work done was in the repair of the jetties, and this only to a very slight extent.

Arrangements were made in December, 1894, for the use of the dredge known as the *Mount Waldo*, owned and used by the Mexican Central Railroad Company at Tampico, and which they no longer required. But this dredge was lost en route for Velasco with nearly all on board, including the contractor who was to have had charge of the extension of the jetties. Work was resumed actively thereafter in February, 1895, and continued without interruption until October 20, 1895. It was then suspended until January, 1896, and was then again continued until April 10, 1896. Since that date no work whatever has been done upon the jetties or in the river. The maps submitted herewith, Nos. 2 to 13, inclusive, show the depth of water and results accomplished upon the dates therein stated.

No official maps appear in our records from December 27, 1892, until March, 1896, although many soundings have been taken and charts will be produced, with the permission of the Board, showing very many soundings taken at other dates. Maps Nos. 14 to 17, inclusive, explain the condition of the channel and the jetties in March, 1896. The results obtained, as shown from the various maps, are due entirely to the construction of the jetties.

(4) Maps Nos. 1 to 17, inclusive. List annexed.

(5) CHARACTER OF THE WORK.

With the permission of the Board, Mr. Corthell and other engineers who have been in charge of the work at various times will describe to the Board its character. Map No. 18, submitted herewith, shows the general design. The coping concrete blocks were used to a very limited extent only, rock from 1 to 2 tons weight being substituted therefor. Riprap not exceeding 150 pounds for a single rock has been used instead of the shell called for in the design to weigh down the mattresses. The jetty walls are 560 feet apart. The foundation of the jetty walls has been laid 5,400 feet from the shore line, and consists of brush mattresses weighted with riprap as above described. (For design of mattresses see chart No. 18.) The jetty walls have been built up to the water line of the same material and in the same way, for a distance of 5,000 feet, and thus constructed have settled into the soft mud underlying them and constitute the foundation upon which the present jetties rest. The jetty walls, with the exception hereinafter noted, consist of a core of inner work of riprap covered by stone weighing from 2 to 10 tons each. (See map No. 16, showing cross section of jetty work.)

The east jetty has been completed 5,153 feet and the west jetty 5,050 feet. Two thousand five hundred feet of the west jetty next the shore line is partly constructed of brush mattresses. The stone used in the construction of the jetty walls is sandstone, weighing 140 to 150 pounds to the cubic foot. Twenty-four wing dams, twelve of which are on the east and twelve on the west jetty, each 60 feet in length, of the same width, slope, and weight, and constructed of the same material as the jetties, have been built between the jetty walls to concentrate the river current and increase its scouring capacity.

Beginning at a point in the river 6 miles above the entrance of the jetties, forty-two wing dams, 8 feet in width and 50 feet in length, have been constructed for the purpose of narrowing the river and deepening and straightening its channel. These wing dams are constructed of brush, elm piling, and clay.

(6) COST OF WORK.

When the company began work there was no railroad or telegraph station nearer the mouth of the river than Columbia, 36 miles distant, the terminus of the International and Great Northern Railroad. All material, except brush used for mattresses, was brought by rail to Columbia, and thence down the river in boats and barges. Brush for mattresses was obtained on or near the banks of the river from 6 to 10 miles from its mouth. To transport the material and brush barges were constructed, and a tug and other boats necessary to the prosecution of the work were purchased and chartered. A telegraph line from Columbia to the mouth of the river was constructed to facilitate communication with the sources of supply.

In February, 1892, the Velasco Terminal Railroad was completed from Chenango Junction, on the International and Great Northern Railroad, to Velasco, thus bringing railroad and telegraphic facilities within 5 miles of the jetties.

At the inception of the work the company made a contract for the building of the jetties, which contract was not fulfilled. The company itself for a short time prior to its receivership carried on the work. The receiver from the time of his appointment carried on the work and issued receiver's certificates therefor. About January 1, 1895, the various owners of the stock and indebtedness of this company appointed a committee, consisting of three of its directors, who, with the consent of the court and of the receiver, have carried on the work since January 1, 1895, until the termination of the receivership. After the termination of the receivership the company itself has been in charge of the work.

The expenditures of the company properly chargeable to jetties and channel improvement, exclusive of wharves, docks, land, and warehouses, are shown in the following list. The vouchers will be produced before the Board if desired:

Office building at Velasco	\$3,324
Rock, 107,846 tons	325,178
Brush, 46,784 cords	79,776
Construction pay roll, including superintendent	92,866
Engineering pay roll and outfit, including instruments, preliminary and other surveys	44,173
Construction expense, including charter of tugs, wages of crew, engine supplies, coal, etc	53,756
Construction plant	30,575
Dredge	9,425
Construction supplies, driftbolts, rods, etc	6,414
Materials—iron, steel, lumber, lath yarn, etc	15,577
Piling	13,970
Clay for wing dams	920
Concrete blocks	13,960
Incidental expenses, including office pay roll, stationery, taxes, traveling expenses, properly chargeable to construction of jetties	50,327
Office furniture	1,394
Wharf at Quintana	1,677
Artesian well at Quintana	2,656
Wharf on west jetty	750
Wharf on east jetty	564
Telegraph line Quintana to Columbia	1,400
Buildings, blacksmith shop, oil houses, etc	2,322
Office buildings	1,123
Channel improvements, dredging river, etc	12,568
Telephone line, Velasco to Quintana	135
Extra construction, amount paid Gustav Wilke at close of his contract:	
East jetty, 2,800 linear feet	\$123,295
West jetty, 3,200 linear feet	140,400
16 wing dams	7,500
	271,195
Legal expenses	10,500
Expenses of receiver	27,500
Costs paid clerk United States court	1,000
Expense receiver's attorney	11,000
Total	1,086,025

To the above should be added interest upon the amounts expended from the time of their expenditure.

This interest was computed March 31, 1896, at simple interest, 7 per cent, on expenditures prior to July, 1894	\$427,340
The interest on expenditures subsequent thereto to March 31, 1896	8,260

Total	435,600
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At 6 per cent this amounts to \$363,000, to which should be added interest from March 31, 1896, to date, and also such sums, if any, as to the Board seem proper to allow for services of the officers of the company and general superintendence.

We estimate the fair cost of the work, with interest upon expenditures to date and a reasonable return for services, at not less than \$1,500,000.

(7) GENERAL STATEMENT.

The company respectfully requests the Board to consider all communications, documents, and information heretofore submitted to the Board by Mr. Corthell as having been submitted by the company itself. At the hearings before the Board we shall desire to present statistics, documents, and testimony relative to the advantage to Texas and the entire United States of the establishment of a port of the United States at Velasco, which statistics, documents, and testimony we believe will show, among other things, the following:

First. That a deep-water harbor can be more cheaply maintained at the mouth of the Brazos River than at any other place on the Gulf Coast.

Second. That from 1832 to the present time this port has been believed by the people of Texas, and, generally, by the Engineer Corps of the United States, to be well fitted to be made a first-class deep-water port.

Third. That the river and harbor are well adapted for use for naval purposes and furnish the only land-locked harbor on the Texas coast where dry docks can be established.

Fourth. That the width of the river is greater than that of many of the largest ports of the world.

Fifth. That all necessary facilities for commerce can be easily obtained along the river front.

Sixth. That independent of the commerce tributary to existing Gulf ports in Texas, there is now a large and constantly increasing local commerce immediately adjacent and tributary to the port of Velasco that can be provided for by securing a deep-water harbor at the mouth of the Brazos River at a less cost to the Government than elsewhere; that such harbor will be more convenient, easier of access, and reached at a less cost to the commerce of a very rich and fertile territory, as large as the entire State of South Carolina, than any other Gulf port in Texas.

Seventh. That the commerce which finds an outlet through the port of Galveston, will, with the completion of the jetties and harbor facilities at Velasco, be equally well accommodated at Velasco, the rate of charges on freight from points in the interior being the same to and from each place.

Eighth. That deep-water frontage and facilities at the Gulf ports in Texas are altogether inadequate for handling the commerce already seeking an outlet through them, even though a very large portion of the commerce of Texas and the States tributary to Texas Gulf ports has, by reason of the inadequate facilities, been compelled to seek outlet elsewhere than in its natural course.

Ninth. That the rapid increase in population and growth in the commerce of Texas, and the States naturally tributary to Texas Gulf ports, necessitate additional harbor facilities, and that the situation at Velasco with reference to the commerce named renders it the only place that can supply that demand.

Tenth. That the purpose of the Government in constructing harbors for the benefit of the people in the accommodation and development of commerce can be more fully accomplished and the full benefits to the people of the work done at other ports can be better secured by opening a competitive port, thus making the port of Velasco of incalculable value to the Government and to the people.

We respectfully call to the attention of the Board the various reports heretofore made relative to the Brazos River by the United States engineers, specially referred to in the argument of Senator Farwell before the Commerce Committee of the United States Senate, a copy of which has been furnished to the Board by Mr. Corthell. Also Miscellaneous Document No. 91 of the second session of the Forty-ninth Congress, being a compilation of the "Laws of the United States relating to improvement of rivers and harbors from August 11, 1790, to March 3, 1887, with a tabulated statement of appropriations and allotments," and especially to the table of annual appropriations upon pages 435 et seq., wherein are shown the amounts appropriated for the various harbors of the United States.

From these statements and from the appropriations since that date, we believe it will appear that the average cost per foot of water obtained in the Gulf ports will not be less than \$500,000 per foot.

(8) COMMERCIAL STATISTICS.

The following tables show the character and value of the commerce passing through the port of Velasco since January, 1890, so far as there is any record of the same. No definite account is kept of the character and value of the tonnage of domestic vessels of 100 tons burden and under.

Coastwise imports at port of Velasco, by calendar years.

Articles.	Quantity.	Value.
1891.		
Lumber.....feet..	8,754,334	\$122,566
Shingles.....	650,000	2,600
Coal.....tons..	3,000	12,000
Railroad steel.....do..	2,634	65,850
Railroad ties.....	89,280	26,784
Bridge timber.....feet..	130,000	16,250
Railroad material.....tons..	319	12,700
Miscellaneous merchandise, estimated.....pounds..	20,000,000	530,000
Crushed rock and Portland cement.....tons..	12,207	36,621
Total.....		825,371

Two steamships, twelve sail vessels, and many small craft.

Coastwise imports at port of Velasco, by calendar years—Continued.

Articles.	Quantity.	Value.
1892.		
Coal.....tons..	3,615	\$14,460
Lumber, estimated.....feet..	3,000,000	42,000
Miscellaneous, estimated.....pounds..	300,000	19,000
Total		75,460
Four sail vessels, one steamship, and many small craft.		
1893.		
Coal.....tons..	7,414	29,759
Packages, nails, barbed wire, staples, etc.....	79,695	239,085
Lumber, estimated.....feet..	1,000,000	14,000
Miscellaneous, estimated.....pounds..	350,000	21,000
Total		303,835
Fifteen sail vessels and many small craft.		
1894.		
Tons.....	8,612	26,612
Lumber, estimated.....feet..	200,000	2,800
Miscellaneous, estimated.....pounds..	400,000	23,000
Total		52,412
Four sail vessels and many small craft.		
1895.		
Coal.....tons..	635	2,540
Lumber, estimated.....feet..	100,000	15,000
Cotton seed and seed cotton, estimated.....tons..	1,200	13,200
Miscellaneous, estimated.....pounds..	450,000	23,000
Total		53,740
One sail vessel and many small craft.		
1896.		
Packages nails, staples, barbed wire, wire fence, cables, etc.....	21,646	64,938
Packages miscellaneous hardware, rope, etc.....	3,858	39,000
Cases canned goods, etc.....	24,769	123,845
Cases preserved fish, etc.....	130	650
Cases drugs.....	200	2,000
Seed cotton.....tons..	400	16,000
Cotton seed.....do..	2,973	29,730
Lumber, estimated.....feet..	100,000	14,000
Miscellaneous, estimated.....pounds..	600,000	25,000
Total		315,163
Two sail vessels and many small craft.		

Exports to foreign ports from port of Velasco by shipping seasons.

SEASON OF 1892-93.

Articles.	Quantity.	Value.
Cotton-seed cake and meal.....tons..	48,387	\$1,037,871
Bales cotton, 17,869, about.....do..	4,415	810,825
Logs, 1,288, about.....do..	320	5,029
Barrels oil, 200, about.....do..	220	4,160
Total.....do..	53,342	1,857,885

Twenty-two British and other foreign steamships.

SEASON OF 1893-94.

Cotton-seed cake and meal.....tons..	60,672	\$1,218,519
Bales cotton, 8,284, about.....do..	2,222	321,511
Cotton-seed oil, 8,321 barrels, about.....do..	1,895	173,000
Logs, 11,669, about.....do..	2,135	45,782
Total.....do..	66,924	1,758,812

Twenty-four British and other foreign steamships.

Exports to foreign ports from port of Velasco by shipping seasons—Continued.

SEASON OF 1894-95.

Articles.	Quantity.	Value.
Cotton-seed cake and meal	20, 871	\$384, 554
Cotton, 591 bales, about	145	18, 246
Oil, barrels, 1,552, about	349	18, 435
Logs	300	2, 236
Total	21, 665	523, 471

Nine British and other foreign steamships.

SEASON OF 1895-96.

Cotton-seed cake and meal	9, 835	\$209, 200
Linters, 91 bales, about	24	1, 480
Cotton-seed oil, 3,434 barrels	772	42, 636
Total	10, 631	253, 316

Eight British and other foreign steamships.

Coastwise exports from port of Velasco.

Articles.	Value.
1892.	
2,000 bales of cotton, estimated, value say	\$70, 000
Miscellaneous, 160,000 pounds, estimated	8, 000
Total	78, 000
Steamboats and small craft.	
1893.	
Bales cotton, estimated 2,500, estimated value	87, 200
Miscellaneous, estimated 275,000 pounds, estimated value	8, 200
Total	95, 400
Steamboats and small craft.	
1894.	
Bales cotton, estimated, 2,500, estimated value	87, 000
Miscellaneous, estimated 280,000 pounds, estimated value	8, 400
Total	95, 400
Steamboats and small craft.	
1895.	
Bales cotton, estimated 3,000 bales, value say	105, 000
Miscellaneous, estimated 300,000 pounds, value say	9, 000
Total	114, 000
Steamboats and small craft.	
1896.	
Hardwood lumber, 306,000 feet	9, 205
Cotton, estimated 7,000 bales	262, 500
Miscellaneous merchandise	5, 000
Total	276, 805
One sail vessel, two steamboats (various trips), and many small craft.	

NOTE.—First. By the term "sail vessels" is meant vessels of 500 tons burden and over.
 Second. By the term "small craft" is meant vessels of 100 tons burden and not over 500 tons burden.

Third. The steamer *Horatio*, 93.70 tons burden, makes regular weekly trips between the port of Galveston, the port of Velasco, and points up the Brazos River for a distance of 30 miles.

BRAZOS RIVER CHANNEL AND DOCK COMPANY,
 By ABNER TAYLOR, *President.*

HENRY M. ROBERT,
Colonel, Corps of Engineers,
President Brazos River Board, Velasco, Tex.

APPENDIX B.

LIST OF MAPS.

VELASCO, TEX., *December 28, 1896.*

- No. 1. Entrance to Brazos River: Shore-line survey, December, 1889; soundings in river, February 20, 21, and 22, 1889; soundings in Gulf, March 4, 6, and 7, 1889.
- No. 2. Entrance to Brazos River, June 21, 1889.
- No. 3. Entrance to Brazos River, July 26, 1889.
- No. 4. Entrance to Brazos River, September 13, 1889.
- No. 5. Entrance to Brazos River, September 21, 1889.
- No. 6. Entrance to Brazos River: Soundings in Gulf, November 18, 19, and 28, 1889; cross-section soundings in jetty channel and river, December 3, 1889.
- No. 7. Entrance to Brazos River, February 10 and 11, 1890.
- No. 8. Entrance to Brazos River, soundings on bar, April 29, 1890.
- No. 9. Entrance to Brazos River: At head of jetties, May 28, 1890; across bar, July 23, 1890.
- No. 10. Entrance to Brazos River, soundings on bar at jetty entrance, September 11, 1890.
- No. 11. Entrance to Brazos River, May 29, 1891.
- No. 12. Entrance to Brazos River, July 18, 1891.
- No. 13. Entrance to Brazos River, December 27, 1892.
- No. 14. Brazos River jetties, March, 1896.
- No. 15. Profile of jetties completed, Brazos River, March, 1896.
- No. 16. Cross sections, Brazos River jetties, March, 1896.
- No. 17. Comparative cross sections of jetty channel, Brazos River, before and after taking, March, 1889, and March, 1896.
- No. 18. Design for jetties at mouth of Brazos River.

MEMORANDUM OF MAPS AND CHARTS, WITH EXPLANATORY NOTES FOR THE USE OF THE BOARD.

A. Survey of mouth of Brazos River under direction of Major Ernst, by H. C. Ripley, May and June, 1887. This chart was subsequently used in locating the contours of the survey made in March, 1888, by George Y. Wisner, under the direction of E. L. Corthell. The survey of 1887 shows about $1\frac{1}{2}$ feet of water on the bar straight out from the mouth of the river and a crooked channel to the eastward, with about 5 feet depth. The contours and notes upon them from the survey of March, 1888, show a depth of 6 feet over the bar to the westward, with about the same depth immediately in front.

1. Mouth of the Brazos River. The shore line survey of this chart was made in 1888, December; the soundings in the river February 20, 21, 22, 1889, and the soundings on the bar and in the Gulf, March 4, 6, 7, 1889. At that time the wharves for beginning the construction of the jetties were completed. The jetties proper were begun March 28, 1889. By this chart the limiting depth on the bar was 6.1 feet at mean high tide.

NOTE.—Depths on all charts of surveys made under the direction of the Brazos River Channel and Dock Company refer to “average flood tide” or “mean high tide” of the Gulf of Mexico. The reading of average flood tide on the gauge used for reducing soundings is 1.78 (or, for convenience, 1.8 has been used). The zero of the gauge is set at mean low water. As will be seen from a note on the chart of the survey made by the United States Coast and Geodetic Survey, No. 12a, December 16 to 20, 1891, the plane of reference used in that survey was from daily observations made between August 1, 1890, and December 15, 1891, these observations showing that the range between mean low tide and mean high tide was 1.77, and the reading of mean low tide on the gauge used at that time was 1.84. Subsequently the gauge was set so that mean low tide should read zero, the gauge reading above and below that point. That gauge has been used to this date, having been preserved with great care, and, when necessary, the zero was transferred without possibility of error to another gauge placed on the same pile. During the last year this gauge, from want of careful attention, has become too low by about 0.5 foot.

2. June 21, 1889. This chart shows no soundings on the bar. It simply shows the local channel between the short portions of the jetties that had been completed up to that time. At the time of this survey, the west jetty had been extended from the zero point 750 feet and the east jetty 1,180 feet, both partly constructed only to those points.

NOTE.—All surveys are made under the direction of the Brazos River Channel and Dock Company unless otherwise specified.

3. Survey of July 26, 1889. No soundings on the bar, a local channel survey between jetties. West jetty was extended at that date 750 feet from zero, and the east jetty 1,350 feet.

4. Survey of channel and bar September 13, 1889. The jetties partly completed, had been built out as follows: West jetty partly constructed 4,150 feet from zero, east jetty 3,770 feet; the end of the trestle on the east jetty was at 5,064 feet. This chart shows profiles of the top of the mattress work on both jetties.

5. Survey of the bar September 21, 1889. Work on jetties is not shown; the limiting depth on the bar is 8.9 feet.

6. Survey on bar and in jetty channel and river; soundings on the bar November 18-28, 1889, in jetty channel and river December 3, 1889. The west jetty had been built up at that time about 2,840 feet and the east jetty 3,300 feet; the limiting depth on the bar was 9.3 feet.

7. Survey of the bar February 10 and 11, 1890. The jetties were in about the condition noted in No. 6; limiting depth on the bar, 8.6 feet.

8. Survey on the bar April 29, 1890. West jetty had been extended to 3,200 feet and the east jetty to 4,000 feet; limiting depth on the bar, 9 feet.

9. Survey on bar and channel, the latter May 28, 1890, and former July 23, 1890. West jetty extended 3,200 feet and the east jetty 5,450 feet, but considerable of the sea end of this distance was trestlework only; the limiting depth on the bar was 11.1 feet.

10. Survey of the bar September 11, 1890. West jetty had been extended 4,450 feet and the east jetty 5,400 feet; the limiting depth on the bar, 10.7 feet.

10a. Soundings on the bar and in the jetty channel March 9, 1891. Both jetties had been extended, though not fully built up, to 5,400 feet; the limiting depth on the bar was 13.3 feet.

11. Survey of the bar May 29, 1891. Both jetties as in 10a; limiting depth on the bar was 14.8 feet.

12. Survey of the bar July 18, 1891. The jetties same length; limiting depth on the bar, 15.5 feet.

12a. United States Coast and Geodetic Survey December 16 to 20, 1891. The plane of reference is mean low water; limiting depth on the bar, 15 feet; at average flood tide, 16.78 feet.

13. Survey of the bar December 27, 1892. Length of each jetty, 5,400 feet; limiting depth on the bar, 18.9 feet.

14. Survey of the channel and bar March, 1896; limiting depth in both channel and bar, 20.5 feet. The west jetty stood above surface of water at 5,050 feet, the east jetty at 5,153 feet.

15. Profile of the jetties as completed March, 1896.

16. Comparative cross sections of the channel and profiles of the channel and bar March, 1889, and March, 1896.

17. Cross sections of the jetties as completed March, 1896.

18. Design for the jetties as originally planned and not strictly followed.

19. Coast Survey chart, 1858.

20. Map of Velasco and vicinity, by Dorchester, May, 1896.

21. Larger scale map of Velasco and vicinity, showing railroad lines and projected terminals and railroad lines, by Dorchester, May, 1896.

22. Extensive survey of bar and river in three sheets, February, 1891.

23. Outline map of the mouth of the river and adjacent territory, including Houston, Galveston, and railroads.

24. Chart of survey of the bar by United States Assistant Engineer Picton, May 29, 1892.

25. Four large sheets on tracing linen of the survey of the mouth of the river and the river up to Perrys Landing, about 15 miles from the mouth, September to November, 1878. On this map were projected the wing dams proposed to be built by the Brazos River Channel and Dock Company from the mouth of the river to a point 3 miles up the river. This plan of wing dams was generally carried out. The limiting depth on the bar by this survey is 6. It was made under the direction of Maj. C. W. Howell, by Ripley and Talfor.

26. Survey of the river from the head of the jetties to Velasco, July and August, 1895. This survey shows the wing dams and the effects of the same upon the channel with river deposits near wing dams, by D. W. Spence.

27. Survey of the river from jetties to Velasco, September 2, 1895.

28. Lithograph chart of survey of the bar by Major Howell, 1883.

29. Mutilated blue print map of the channel between jetties October, 1890. Note the note upon this chart which gives the remarkable effect of the jetties with a rise in the river, deepening the channel from 10 to 18 feet to a point 1,300 feet seaward of the ends of the jetties.

30. Comparative contour chart of entrance to Brazos River, 1858, 1875, 1878, 1881 1882, 1887, with jetties proposed in 1888 by E. L. Corthell.

VELASCO, TEX., January 8, 1897.

APPENDIX C.

REPORT OF MR. HENRY L. MARINDIN, ASSISTANT U. S. COAST AND GEODETIC SURVEY.

TREASURY DEPARTMENT,
OFFICE OF THE COAST AND GEODETIC SURVEY,
Washington, D. C., February 12, 1897.

SIR: I have the honor to submit the following report, with accompanying tracings, showing the physical conditions of the improvements at the mouth of Brazos River, Texas, as indicated by the recent hydrographic and topographic survey made under your direction.

On receipt of a letter of instructions from the Superintendent of the Coast and Geodetic Survey, dated the 14th of December, 1896, directing me to report to you for the purpose of making a survey of the mouth of the river Brazos, and having received your authorization to organize part of the survey party from members of the Coast and Geodetic Survey then in Washington, Messrs. A. L. Baldwin, assistant, and Charles C. Yates, aid, were detailed to assist me, together with an expert leadsmen from the Coast Survey steamer *Blake*.

As soon as the preparations incident to such a survey were completed, the party left Washington, arriving at Velasco, Tex., on Christmas Day, having been detained somewhat en route by a railway accident.

On arrival at Quintana, at the south of the Brazos, the party lost no time in recovering the plane of reference for soundings used both in the survey of 1891 by the Coast and Geodetic Survey and in that by the improvement company's engineers in March, 1896.

The permanent tidal bench mark established by the Coast Survey at Quintana in 1891, to which was referred the height of the plane of mean low water, was found in a good state of preservation, with no indication of having been disturbed since its establishment.

Three staff tide gauges were also found in position secured to piles in the vicinity of the head of the west jetty, two near the head of the jetty, and one opposite the company's office.

The two staffs at head of jetty had become useless for readings near low water from an accumulation of silt.

These three gauges were found to read so nearly alike that any one of them could have been taken as the official gauge; the one off the company's office, having sufficient depth of water, was chosen. They had been established by the company's engineers, and after the close of the work on the jetties, they were maintained by the bar pilots for the company's use and their own.

The staffs were supposed to have been set with their zero at the plane of mean low water, but on referring them to the tidal bench mark it was discovered that their zeros were an even half foot below that plane. I immediately made inquiries of the pilots and others, all of whom agreed that the gauges were in the same relative position as originally set, and that whenever it became necessary to remove one of the staffs for repainting, the others were left secured and the repainted gauge replaced at the corresponding height.

This testimony is important in view of the statement that one of these gauges was used in the survey of March, 1896, the inference being that the soundings taken then were reduced to a plane one-half foot too low.

I am unable to explain this condition otherwise than by an error having been made by the engineer in setting the original staff gauge.

TIDES.

The tides at the mouth of the Brazos during the present survey have been of the mixed type, diurnal and semidiurnal; from January 8 to 10 and 20 to 26 they were semidiurnal, and from 11 to 20 and 26 to 30 they were diurnal.

This is the case with a number of places along the shores of the Gulf of Mexico.

The mean range of tide was ascertained in 1891 from a good series of observations, including 499 observations of low water and as many observations of high water; this series gave a mean range of 1.77 feet. This is the value to be applied to the mean low-water plane to obtain that of mean high tide.

WIDTH OF STREAM.

The average width of stream between banks for that portion of the river between the head of the jetties and Velasco, without considering the contraction due to spur dikes, is 528 feet. This is reduced to 479 feet if the contraction due to wing dams is introduced. The maximum width, 902 feet, is found off Quintana near head of jetties, and the minimum width, 400 feet, off the wharf at Velasco.

Between the jetties the average width of waterway, including the contraction by

existing spur dikes, is about 476 feet. This is an approximation only, as the conditions which obtain there do not permit a very close determination.

The original project of construction for the jetties contemplated parallel jetties 560 feet between centers, with spur dikes distributed equally throughout their length. The jetties were built as intended, the foundation being composed of mattress work, loaded with small stones and finished with rocks weighing from 1 to 7 tons, in riprap. The wing dams still existing number 5 along the west jetty, and 3 along the east jetty. They were built 60 feet long from center of jetty, in opposite pairs. This gives a waterway of 440 feet in width, which, compared to the width between the outer pair, 460 feet, scaled from the chart, would indicate that these dikes have already, to a certain extent, been destroyed.

The cross sections of the jetties exhibited on the accompanying tracing (No. 2) were measured at points 1,050 feet, 3,000 feet, 4,500 feet, and 5,000 feet, as indicated by the position of the outer spur dike. These sections show an average visible width of 21.8 feet at mean low-water stage for the east jetty and 18.6 feet width for the west jetty.

It will be observed that the cross section of the west jetty at 4,500 feet shows the top barely awash at mean low-water stage. This condition obtains for some distance, and I regret not having had a favorable opportunity to measure a longitudinal section.

The length of the jetties, scaled from the topographical sheet of 1897, on a scale of 1:5000, shows the length of the west jetty 5,018 feet, and of the east jetty 4,708 feet.

The length of these jetties, taken from the blue print of the company's survey, made in March, 1896, is as follows:

Length of west jetty, 5,050 feet, which, compared to the length in 1897, indicates a loss of 32 feet in length.

The length of the east jetty is given at 4,753 feet, which, compared to length in 1897, gives a loss of 45 feet.

These measures, being scaled from the plans, are not absolutely correct; they are subject to an error in the change of scale of the paper.

CURRENTS IN THE RIVER.

The velocity of the current varies greatly with the changing stages of the water; during heavy freshets the currents are reported by the pilots to reach 7 knots per hour¹ (11 feet per second). This appears an exaggeration, and as current velocities, unless measured, are always over estimated, it may mean a velocity of 4 or 5 knots.

The currents were measured at six stations between Velasco and the mouth of the jetties on January 15, during a rising tide, with the following results:

TABLE NO. 1.

Locality of station.	Height of surface above mean low water.	Velocity of current per second.
	<i>Feet.</i>	<i>Feet.</i>
Mid-stream, Velasco.....	±0.0	0.70
Mid-stream, upper bend.....	+ .2	.50
Mid-stream, middle bend.....	+ .3	.17
Mid-stream, lower bend.....	+ .4	.25
Off inner red light (jetty).....	+ .4	1.18
Mouth of jetties.....	+ .5	1.30

These current velocities, not being simultaneous, are not directly comparable, but they serve to indicate the effect of the great bend $1\frac{1}{2}$ miles above the light-house and the greater velocity between the jetties.

SURFACE SLOPES.

The observations of surface slope given in the following table were made on January 11, 1897. Five tide staffs had been established for this purpose and distributed so as to give the slopes between the following points:

Staffs 1 and 2, within the jetties.

Staffs 2 and 3, head of jetty to beginning of great bend.

Staffs 3 and 4, slope of great bend.

Staffs 4 and 5, the stretch of river up to Velasco wharf.

¹ In support of this statement Pilot L. Locke stated that he had seen a tugboat which he was certain could make 7 or 8 knots unable to make any headway against the current.

The slopes are given in Table No. 2 for each hour between 10 a. m. and 5 p. m.

The mean slope per mile was 0.09 foot between the jetties, 0.16 foot between head of jetties and first wing dam below great bend, 0.03 foot in the great bend, and 0.05 foot up to Velasco wharf. The distances between the above-mentioned stations are noted in the table. The tide was on the rise till 2^h 15^m p. m., and on the fall to 5 p. m.

TABLE NO. 2.—*Slope of surface of Brazos River, Texas.*

[As given by the simultaneous observations of tides on January 11, 1897.]

Time.	No. 1 to No. 2.	No. 2 to No. 3.	No. 3 to No. 4.	No. 4 to No. 5.	No. 1 to No. 5.
	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>
10 a. m.....	+0.21	+0.27	+0.00	+0.15	+0.63
11 a. m.....	.16	.22	.00	.10	.48
12 m.....	.06	.22	.05	.15	.48
1 p. m.....	.11	.27	.10	.05	.53
2 p. m.....	.01	.17	.00	.18	.36
3 p. m.....	.11	.32	.05	.10	.58
4 p. m.....	.06	.22	.00	.18	.46
5 p. m.....	.01	.27	.10	.15	.53
Mean.....	+0.09	+0.25	+0.04	+0.13	+0.51
	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>
Distance in statute miles between staffs	1.0	1.6	1.4	2.4	6.4
	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>	<i>Miles.</i>
Slope per statute mile between staffs.....	+0.09	+0.16	+0.03	+0.05	+0.08

The position of the tide gauges is indicated on tracing No. 1.

NAVIGABLE CHANNEL.

Shoal water is encountered almost immediately on entering between the jetties.

The first bar is reached about 2,000 feet inside of the end of the west jetty, with 14.3 feet at mean low water. This depth is found somewhat nearer the east jetty; then for about 400 feet the depth increases slightly, and a second bar with 14.8 feet is reached. These depths occupy about one-third of the channel way.

From this point on past the shore end of the jetties the depths increase somewhat, but the bottom can be called very uniformly flat. When opposite the mouth of the canal the maximum depth of 40 feet is reached. This is the greatest depth found in the river as far as examined.

Following up the channel the next bar is found, with 14.3 feet on it, at a point about 300 yards above the mouth of West Union Bayou, which is the northerly limit of the city of Quintana. The river banks are here occupied by spur dikes, 10 on the left bank and 6 on the right bank. Following the channel with somewhat deeper water, we come to another bar with 13.7 feet on it, about opposite the upper wing dam on the left bank. The channel depths then increase, following the bight of the great bend, and nothing less than 15 feet, with variations to 24 feet depth in holes, may be carried as far as Velasco.

CHANGES IN THE BANKS OF THE RIVER AND IN THE GULF SHORE LINE.

The changes in the river shore line are so great, amounting in places to one-half of the width of the river, as to cast a doubt upon the correctness of the delineation of the shores in the survey made by the Brazos River Channel and Dock Company preceding 1891, from which the shore line laid down on the chart of 1891 was obtained. A comparison of the shift of the river banks might, therefore, lead to erroneous conclusions and had better be omitted.

A comparison of the Gulf shore line with the submerged contours, at 24, 18, 12, and 6 feet depth, is exhibited on the accompanying tracing, No. 3. The survey by Major Ernst, United States engineer, in 1887, together with the surveys of 1891 and present survey of 1897, are represented.

Comparing the features of the 24, 18, and 12 foot contours of 1891 with the same in 1897, it will be observed that there has been no decided shift to seaward. This is especially the case in front of the jetties, where one would naturally look for an advance. Indeed, the evidence points to a betterment in the depths as far as the soundings went to 26 and 27 feet.

The shoal off the end of the west jetty maintains itself with practically the same minimum depth over it.

No change in the Gulf shore, as indicated by the high-water line, can be detected since 1891.

LITTORAL CURRENT.

Owing, perhaps, to persistent northeast and northerly winds during our examination, we have failed to detect any decided transverse current; but with prevailing easterly and southeasterly winds it must follow that the resultant direction of drift should be westward.

An indication of this littoral current might be inferred from an excess of accumulation of drift logs along the shores on either side of the jetties. The shores were examined with the result that nearly as much drift was found to the eastward, leaving but a suspicion that the volume was greater on the west shore.

In order to prove or disprove the existence of a littoral current at the mouth of the Brazos River, a long series of observations of the currents and tides, supplemented with meteorological observations, would be required.

In conclusion, I beg to say that with more time at the disposal of the Board, a wider scope could have been given to the survey, resulting in more complete data.

Respectfully submitted.

HENRY L. MARINDIN,
Assistant Coast and Geodetic Survey.

Col. HENRY M. ROBERT,
Corps of Engineers, U. S. A.,
Chairman Brazos River Board.

The manner of obtaining the corresponding reading of mean low tide on tide gauges Nos. 1 to 5 is given in the appended Table No. 3.

BRAZOS RIVER, TEXAS.

Simultaneous observations of tides January 11, 1897.

[Weather: Foggy; light northerly, then light southerly winds.]

Time.	Staff No. 1.	Staff No. 2.	Staff No. 3.	Staff No. 4.	Staff No. 5.
	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>	<i>Feet.</i>
10.00 a. m.....	+1.90	+0.80	+1.55	+1.70	<i>a</i> + (0.85)
10.15 a. m.....	1.90	0.80	1.55	1.70	<i>a</i> (0.85)
10.30 a. m.....	1.80	0.80	1.50	1.70	0.85
10.45 a. m.....	1.80	0.85	1.50	1.70	0.85
11.00 a. m.....	2.00	0.85	1.55	1.70	0.80
11.15 a. m.....	2.00	0.85	1.55	1.75	0.85
11.30 a. m.....	2.00	0.85	1.55	1.80	0.88
11.45 a. m.....	2.00	0.85	1.55	1.80	0.90
12.00 m.....	2.10	0.85	1.55	1.75	0.90
12.15 p. m.....	2.00	0.90	1.60	1.80	0.88
12.30 p. m.....	2.10	0.90	1.60	1.75	0.92
12.45 p. m.....	2.10	0.90	1.65	1.80	0.90
1.00 p. m.....	2.10	0.90	1.65	1.90	0.95
1.15 p. m.....	2.20	0.90	1.60	1.80	0.98
1.30 p. m.....	2.20	0.95	1.65	1.84	0.95
1.45 p. m.....	2.20	0.95	1.65	1.82	0.95
2.00 p. m.....	2.30	1.00	1.65	1.80	0.98
2.15 p. m.....	2.30	1.00	1.70	1.90	0.95
2.30 p. m.....	2.20	1.00	1.75	1.90	1.00
2.45 p. m.....	2.20	0.95	1.70	1.95	1.00
3.00 p. m.....	2.10	0.90	1.70	1.90	1.00
3.15 p. m.....	2.10	0.90	1.60	1.85	0.97
3.30 p. m.....	2.10	0.90	1.60	1.80	0.96
3.45 p. m.....	2.10	0.95	1.60	1.80	0.95
4.00 p. m.....	2.20	0.95	1.65	1.80	0.98
4.15 p. m.....	2.20	0.95	1.65	1.85	0.98
4.30 p. m.....	2.20	0.90	1.65	1.85	0.97
4.45 p. m.....	2.10	0.85	1.60	1.82	0.98
5.00 p. m.....	2.10	0.80	1.55	1.80	0.95
Mean.....	2.09	0.90	1.61	1.80	0.93
Reading of mean low water.....	1.74	<i>b</i> 0.545	1.26	1.44	0.58

a Interpolated values.

b The value of 0.545 foot was obtained by levels between a bench mark and staff No. 2, the height of bench mark above mean low water being given as determined by a long series of tidal observations in 1891 near staff No. 2.

APPENDIX D.

LETTER OF MR. E. L. CORTHELL, C. E.

VELASCO, TEX., *January 9, 1897.*

DEAR SIR: I am requested by the Brazos River Channel and Dock Company to represent their interests, in association with Mr. L. L. Foster, general manager of the company, and to give the Board the facts relating to the engineering features of the works which you are to examine and report upon. In the way of preliminary information I submit a large number of maps, charts, profiles, and cross sections, enumerated in an accompanying table, and I will now proceed at once to the general description of the plans, methods, and materials of the Brazos River jetties.

Congress, in the contract made with Capt. James B. Eads for the construction of the South Pass jetties at the mouth of the Mississippi River, March 4, 1875, established the plane of reference for channel depths at "average flood tide." This plane was employed from the outset at the mouth of the Brazos River, although no plane of reference is stated in the charter authorizing the Brazos River Channel and Dock Company to build the works and obtain the depths required by the charter.

It may also be stated that, by the approval of the Mexican Government, the plane of "average flood tide" has been used in the construction of the Tampico jetties, Mexico.

For information as to the progress of the work in deepening the bar, reference is made to the accompanying list of charts which, as far as is practicable, gives the length of each jetty constructed at the time each survey was made, and also the limiting depth on the bar. These two are contemporaneous conditions, and show the relation, in a measure, between the works and their results.

As will be seen from the reports of the company, the contract made with Gustav Wilke for the entire work was not based on unit prices, but he was to receive a lump sum for the building of the works, that were to be similar to those constructed at the mouth of the Mississippi, and was to be paid as depths of channel were secured. As this contract was never completed, but was set aside and Wilke settled with arbitrarily in December, 1889, the cost of the work in units is not known. The engineers in charge kept as careful a record as it was possible to do under the circumstances of the materials that went into the work under this uncompleted contract, and these approximate amounts of materials have been used in making the statement of materials in the work.

It is necessary in this statement simply to refer to the financial vicissitudes, the change of contractors and receivers, and of the engineers, from time to time, covering a period of nearly seven years, during probably more than one-half of which period the work was not under any really engineering supervision. The Board will appreciate the difficulty under these circumstances of providing it, for its study of this subject, with precise and reliable details. The following remarks emphasize this feature:

DATES OF WORK AND SUSPENSION AND RESUMPTION OF SAME.

March 28, 1889, the jetties proper begun; work proceeded to November, 1889, at which time the contract of Gustav Wilke was abrogated.

November 1, 1889, to January 1, 1890, the work was suspended.

January 1, 1890, to September 1, 1890, the work was continued by the Brazos River Channel and Dock Company, or really by Lee and Ferguson.

September 1, 1890, to March 1, 1891, work suspended and property in the hands of the receivers, Angle and Caldwell. This receivership was made necessary by the failure of a Boston company which transacted the financial business of the Brazos River Channel and Dock Company.

March 1, 1891, to July, 1891, the work was carried on vigorously by the new receivers, Angle and Wilke.

From July, 1891, to March, 1892, it was carried on with a reduced force. The co-receivership of Angle and Wilke extended from February, 1891, to January, 1892.

Mr. Angle became receiver in January, 1892, and acted as such until March, 1896.

From March, 1892, to March, 1893, the work was carried on very irregularly, most of it consisting of repairs, simply, and making concrete blocks.

From March, 1893, to July, 1893, the work was carried on quite vigorously.

From July, 1893, to January, 1895, the extension of the jetties seaward was suspended, and the work consisted mostly of repairs.

From February, 1895, to October 20, 1895, the work was continued seaward and the sea ends built up and the work put generally into fair repair.

From October 20, 1895, to January, 1896, the work was suspended.

From January, 1896, to April 10, 1896, the ends of the jetties were again built up and the entire work consolidated. During the latter periods above mentioned the financial management of the works was in the hands of a reorganization committee in Boston, whose relations to the work will be explained elsewhere.

Since April, 1896, to the present time, January 8, 1897, practically no work has been done.

According to the original plans, which appear on Plan No. 18, above referred to, it was intended to build the jetties largely from a trestle, and to construct the mattresses on this trestle for the purpose of avoiding delays and disarrangement of the work which would result from doing the entire work by a floating equipment. However, shortly after the work was begun it was found practicable to lay barges alongside of the work on the channel side, and the plan was accordingly modified. The mattresses, instead of being built on the trestle on tilting ways, were built under the trestle and suspended from it over the water. The sea was generally sufficiently smooth to allow a continuous mattress to be built, sometimes 200 to 300 feet in length, the rear end of it being dropped into the water while the forward end was still suspended to the trestle. This trestle was generally about 30 feet in width, and it was possible to build a mattress under it and suspended from it from 2 to 4 feet in thickness and 50 feet in width, or wider where necessary, and this width varied according to the depth of water and the position of the mattress.

The brush was not generally willow, such as was used at the mouth of the Mississippi, where the willows were straight and flexible and made solid work, which compressed very little under leverage and weight of stone. The brush was obtained from along the banks of the Brazos River. It was sometimes necessary to go from 5 to 7 miles from the river, and even then the material was not well suited to such work, being stiff, often crooked and almost impossible of compression by levers. These conditions added largely to the cost of the work, not only on account of the difficulty of handling, carting, and transporting, but on account of the large proportion of voids in the work. Even after the brush was compressed mechanically in the mattresses, it led to a very considerable compression when the weight of stone was placed upon it. From careful investigations made upon similar work at Tampico, the mattresses at the Brazos and the brush work generally compressed at least 50 per cent of its measurement on the barge, and probably 30 per cent of its measurement in the mattress before sinking. It is unnecessary to go into the details of the construction of these mattresses. The brush was held in place by a framework of pine scantlings, sometimes poles, above and below, which was connected through the mattress by iron rods and galvanized-iron wire. The bundles of brush after being cut in the woods were tied up with lath yarn. It was only necessary to hold the brush together until the rock, or shell, or clay, or whatever was used to weight it down, should be placed upon it, except of course the top layer of mattresses, which required much heavier weighting than the lower tiers of the work.

As will be seen by the statement of materials used, an attempt was made on account of the great expense of stone to use shells from the immediate neighborhood and clay under certain conditions. These latter materials were found suitable, but not where there was any exposure to the work in a seaway.

During the earlier period of the work, there was no way of bringing suitable stone to the work except by means of the International and Great Northern Road to Columbia, about 37 miles from the jetties, and boating it down from there on barges. The loading of the stone on the steep banks of the river, which had a rise of nearly 30 feet between high and low water, was very difficult and expensive. In the later period of the work, the company had completed its railroad from Velasco to Chenango Junction, about 20 miles, and the rock was thereafter brought to the bank at Velasco, and more conveniently handled onto barges from the cars. The rock, with the exception of a small amount obtained from vessels coming in in ballast, was brought from three stations: Quarry Station, on the Gulf, Colorado and Santa Fe Railroad, 145 miles from Velasco; Riverside, on the International and Great Northern Railroad, 139 miles from Velasco; and Muldoon, on the Aransas Pass Railway, 217 miles from Velasco.

As will be seen from the charts, the distance between the center lines of the jetties, which are straight and parallel their entire distance, is 560 feet. In order to place the channel in the center of the space between them and to prevent any possible undermining of the jetties, wing dams or spur dikes were designed, and have been built about 60 feet in length from the center line from each side and about every 400 feet along the jetties, and placed in pairs opposite to each other. These wing dams were built of piles, brush, and generally of clay or shells, very little rock being used upon them. They were simply intended to form a sufficient obstruction to the current at flood river, when the water is heavily loaded with sediment, to cause a deposit above and below the wing dams; and it was expected that this sediment would soon fill solidly the interstices of these wing dams, and the expectation was realized.

It may also be stated at this point that the wing dams, as will be seen from the various charts referred to and submitted, were necessary in order to deepen and control the channel of the river the entire distance from the landward end of the jetties to Velasco, about 5 miles. An examination of the charts will show that these wing dams have performed their work very effectively, the shore in many cases being built out to the outer end of the wing dams, and often almost burying them, establishing a

new river bank at many of the reaches where the width was too great to maintain the depth of 18 feet, which it was attempted to procure and maintain.

The following is as close an estimate of the material used in the works as can now be made:

Brush, 82,307 cords, equals.....	cubic yards..	380,415
Clay and shell.....	do.....	11,225
Rock.....	tons..	124,762
Concrete in blocks and coping.....	cubic yards..	750
Piling.....	linear feet..	202,000
Lumber in trestles, etc.....	feet, B. M..	2,052,000

The cost of the work, taken from the books of the company and distributed, is as follows:

Jetties and auxiliary works to March 31, 1896.

Office building, Velasco.....	\$3,324.00
Rock.....	339,000.44
Brush.....	81,476.00
Construction pay roll.....	92,866.00
Engineering outfit, pay roll, and obligations.....	44,173.00
Construction expenses.....	53,756.00
Construction plant.....	30,575.00
Dredge.....	9,425.00
Construction supplies.....	6,414.00
Materials.....	15,577.00
Piling.....	14,265.00
Clay.....	920.00
Concrete blocks.....	13,960.00
Incidentals.....	50,327.00
Office furniture.....	1,394.00
Wharf, Quintana.....	1,677.00
Artesian well.....	2,656.00
Wharf, west jetty.....	750.00
Wharf, east jetty.....	564.00
Telegraph line.....	1,400.00
Buildings.....	2,322.00
Office buildings.....	1,123.00
Channel improvements.....	12,568.00
Telephone line.....	135.00
Extra construction amounts paid Gustav Wilke at close of his contract.....	271,195.00
Legal expenses, one-half of total expense.....	10,500.00
Total.....	1,062,342.44

There are certain other general expenses properly chargeable to the works:

Interest.....	\$375,000.00
Receiver.....	27,500.00
Dart, clerk United States court.....	1,000.00
Wilson, attorney of receivers.....	11,000.00
Lee, general manager.....	20,000.00
Cost committee reorganization and general and incidental expenses..	80,500.00
Total.....	515,000.00

There have also been expended certain amounts, all of a commercial nature, which may not be properly chargeable to the jetties and auxiliary works, or channel improvements, at the mouth of the Brazos River, but have furnished necessary terminal facilities:

Legal expenses, one-half of total cost.....	\$10,500.00
Right of way along the river bank between the jetties and Velasco...	65,000.00
Railroad and terminal facilities.....	740,000.00
Two hotels and roadbed for electric railway.....	120,000.00
Artesian wells, buildings, etc.....	18,000.00
Docks and warehouses at Velasco.....	24,500.00

Total.....	978,000.00
Grand total of the entire expense.....	2,555,342.44

The above costs will be found stated in the communication¹ of the writer dated April 11, 1896, to the president of the Brazos River Channel and Dock Company.

¹ Not printed.

The office accounts at that time were made up to include February 29, 1896; work was under way at the time, consolidating the jetties, and there should be added to the totals of cost at that time of jetties and auxiliary works \$15,797.74 for stone, brush, and piles.

It was stated on page 8 of the above communication that there had been used for the construction of the works the following materials:

About 3,000 piles, 47,000 cords of mattress and brush work, and about 110,000 tons of rock. The figures that were furnished the writer at that time did not include the materials used in the original contract of Gustav Wilke prior to the company itself taking charge of the work. The approximately correct totals of the above materials are as follows: 202,000 linear feet of piles, or over 6,000 piles, instead of 3,000; 82,306 cords of brush, or 380,216 cubic yards, instead of 47,000 cords; 124,762 tons of rock, instead of 110,000 tons.

A detailed statement of materials used is submitted herewith for reference.

The physical and engineering features of this subject have been so fully stated in various reports to the company and to other persons that reference to them and submission of them to the Board for examination will make it unnecessary to discuss the matter at this time. (See report¹ of E. L. Corthell, chief engineer, to William M. D. Lee, March 31, 1888, to be found on pp. 19 et seq., prospectus of the Brazos River Channel and Dock Company; also a letter¹ by Mr. E. L. Corthell to Mr. Lee dated November 17, 1888, pp. 26-29 of the same prospectus; also a communication,¹ made after examination, by Mr. Corthell, to other parties, dated May 14, 1892. As this is a private report, it is submitted to the Board for its confidential use. Also the report¹ already in your hands made by Mr. Corthell to Col. Abner Taylor, president Brazos River Channel and Dock Company, April 11, 1896.)

In reference to the permanency of the works and securing and maintaining a 20-foot navigable channel through the jetties to deeper water in the Gulf, the attention of the Board is called to the fact that due to inability of the owners of the property to raise the necessary means during the last year the jetties throughout their entire length have not been maintained everywhere above the surface of the water, particularly at the sea ends of the works. The Board can itself decide what will be required to raise these works above the surface to the sea ends of the foundations as laid at about 5,400 feet from the initial point, if it should be considered necessary by the Board, and can form its own conclusions as to the cost of maintenance in the future.

As to dredging as an auxiliary in obtaining and maintaining the channel, it may be truthfully stated that what little has been done has been of no practical importance. In other words, the channel that now exists and that has existed for some years was obtained and has been maintained by natural forces. During the time of the original contract the contractor, in order to hasten channel results, endeavored by dragging chains and anchors over the bar, and by some dredging in advance of the work, to accelerate these results, but the appliances were very inefficient and accomplished nothing practical. During the last two years a small hydraulic dredge with a 10-inch suction pipe has been tried upon the bar, but it was altogether unadapted to such work and the results were inappreciable. The company at one time chartered a suitable hydraulic dredge for the works having two 15-inch suction pipes, but it was lost at sea in transit to this place. It may be proper to suggest to the Board the question and the cost of not only maintaining a 20-foot channel through the jetties and the bar, but of making and maintaining a still deeper channel, as has been done and is now being done satisfactorily and within the limits of economy at several points in this country and in Europe.

The entrance channel to New York Harbor, with which the Board is perfectly familiar, has been deepened to 30 feet with hydraulic dredging, and the channel has been maintained; and there is a project now for deepening it to 35 feet, by probably the same means. At the mouth of the South Pass, Mississippi River, a hydraulic dredge is employed to maintain the channel by removing temporary deposit due to unfavorable river conditions.

At Galveston the results being now obtained by hydraulic dredging are too well known to the Board to need more than a reference.

At the Soolina mouth of the Danube, where the conditions and the size of the channel obtained without dredging, as here, are very similar, both as to sedimentary and tidal conditions and in depth of channel, it has been found necessary to deepen the channel artificially in order to accommodate the size of ships that desire to enter. A powerful hopper dredge was built for the purpose, and the depth of the channel has been increased from about 20½ feet to 26 feet without any extension of the jetties seaward. A considerable portion of this dredging is done outside or beyond the ends of the jetties.

At Liverpool, after several years of discussion as to whether it was practicable to build jetties over the sea bar, it was decided to attempt dredging without jetties and

¹ Not printed.

a very powerful hydraulic dredge was built for the purpose, and from results already obtained there is no doubt that the original depth of 11 feet at mean low water will be increased to 30 feet, or at least to 28 feet, so that the ocean liners can enter at any time of the tide, as they now do at New York.

The conditions effecting the removal of sediment discharged from the mouth of the jetties and the maintenance of an artificial channel beyond them are as favorable at the mouth of the Brazos River, and perhaps more so, than at the mouth of the Soolina.

Examinations now would not probably show the full amount of material, rock and brush particularly, that has gone into the works since March 28, 1889, when they were begun. The description of the brush used will indicate that there has been (by the weight of rock as well as by the impact of waves during the five or six years that the material has been there) a great deal of compression. The deposit of sand on the easterly side of the east jetty and of sedimentary matters on the westerly side of the west jetty, and the large deposit also of sedimentary matter between and around the wing dams on the inside of both jetties, make it impossible to trace the full slopes of the works.

From the amount of material that has been placed in the works, and from a knowledge of the disposition of the material, made not only by those in charge but by the waves, there is given an assurance that there exists a broad stable foundation for the superstructure the entire length of both jetties, and leads to the belief as well that there has been very little settlement into the bottom.

In reference to the foreshore beyond the ends of the jetties, personal experience of the writer at the mouth of the Mississippi and at Tampico, where works somewhat similar to the Brazos works, and under somewhat similar conditions have been constructed under his supervision, confirms him in the belief, expressed in his report at the outset of the Brazos works, that if the works are maintained well above the surface of the water, the littoral and wind and wave currents, with a predominating westerly movement, will not only prevent any reformation of the bar, but will exert a greater effect in wearing away the present bar than the fluvial deposits will have in advancing it.

The commercial features are fully stated by the president of the company and by my associate, Mr. Foster, general manager of these works, from careful and continued study of these conditions during the last seven years. I fully concur in these statements, believing them to be conservative.

I am, sir, yours, respectfully,

E. L. CORTHELL.

Col. HENRY M. ROBERT,
United States Engineers, President Brazos River Board.

APPENDIX E.

LETTER OF MR. E. L. CORTHELL, C. E.

VELASCO, TEX., *January 11, 1897.*

DEAR SIR: I submit herewith three copies of three statements relating to the engineering and physical features of the question submitted to you for report. Also 33 maps, charts, etc., 18 of which are already in your hands, or en route from Washington from the president of the company. If these 18 are not received in time, the originals are at the disposal of the Board; also any notebooks and record books in the engineer's office that the Board may wish to examine, and in respect to costs of work the books of the auditor, Mr. F. Caldwell, are open to inspection for the purpose of verifying the statements submitted by the company, and Mr. Caldwell himself will assist the Board if they should desire it.

It is proper to call attention to slight differences between the cost of various parts of the works submitted by the president of the company and myself. The statement furnished by him does not include certain expenditures during March, 1896; interest since March 1, 1896, appears in his statement and does not in mine; also the costs are analyzed and grouped somewhat differently, as will be seen.

Mr. Foster, general manager, will furnish as soon as can be compiled certain historical and other facts in support of the general commercial propositions made by the president of the company.

In the way of explanation, it should be stated that the communication herewith submitted and dated January 9, as well as the two accompanying statements, were compiled before the statement by the president of the company was received on Saturday.

I am, sir, yours, respectfully,

E. L. CORTHELL.

Col. HENRY M. ROBERT,
President Brazos River Board.

APPENDIX F.

LETTER OF MANAGER OF BRAZOS RIVER CHANNEL AND DOCK COMPANY.

VELASCO, TEX., *January 14, 1897.*

SIR: I assume that the acquisition and control by the General Government of the jetties and auxiliary works constructed at and near the mouth of the Brazos River by the Brazos River Channel and Dock Company, under authority of an act of Congress, depends upon two propositions:

1. The practicability of constructing a harbor at the mouth of said river commensurate with the demands of the territory and commerce to be accommodated thereby.

2. The volume and importance of the commerce that would be affected by the construction of said harbor.

The first proposition is an engineering problem which will be discussed by Mr. E. L. Corthell, authorized by the Brazos River Channel and Dock Company to represent them before your Board.

On the second proposition the following facts, statements, and observations are respectfully submitted:

By reference to the commercial statistics heretofore submitted by the Hon. Abner Taylor, president of the Brazos River Channel and Dock Company, it will be seen that the foreign and domestic commerce transported through the mouth of the Brazos River from January 1, 1892, to December 31, 1896, inclusive, amounted in value to \$6,532,879. During the period named the time and means of the projectors of the enterprise were devoted to the work of development preparatory to handling commerce, and comparatively little effort was made to turn commerce through the port of Velasco. The business done, therefore, was such as, in the main, voluntarily sought a market through this port, and is only a very small part of the commerce that would, with deeper water and proper facilities for handling, seek an outlet here.

In February, 1892, the Velasco Terminal Railroad was completed to Chenango Junction, 20 miles distant, where it intersects the International and Great Northern Railroad, and furnishes rail connection between Velasco and all railroad points in the State. By the opening of the rail line a considerable amount of the commerce that had theretofore found its way to Velasco and points up the Brazos River by water was diverted to the rail line. The apparent diminution in the water traffic between 1891 and 1897 is accounted for by that fact. The volume of trade has constantly increased, and the amount handled by the terminal road, that had before its opening sought an outlet through the river, has correspondingly increased.

For the bulk of the import and export commerce of Texas a harbor capable of admitting vessels of 20-foot draft will answer every purpose, and the completion of the jetties and deepening of the channel to 20 feet or more will result in turning through this port a very large additional business, on account of its being the natural channel for such business, and for other reasons which I shall hereafter mention. There has not been at any time since the inauguration of the enterprise a favorable opportunity to develop the shipping interests at Velasco, various and sundry hindrances, fully set forth in other papers and documents before you, having retarded progress along that line.

The commerce actually handled by water during the period named, when the improvements were in process of construction and no efforts to secure business were being made, is a fair indication of what could be done under favorable conditions.

The Brazos River penetrates the heart of the agricultural region of Texas. Lying along its banks and for many miles distant is the richest and most fertile soil to be found anywhere in the United States. The annual output of agricultural products in the territory alluded to is enormous; but for the purposes of this discussion I shall confine myself to counties having a water frontage on the Brazos River from its mouth to the city of Waco, a distance of 402 miles north. By reference to the map of Texas you will see that the following is a list of such counties: Brazoria, Fort Bend, Waller, Austin, Washington, Burleson, Grimes, Brazos, Robertson, Milam, Falls, and McLennan. According to the census of 1890 these counties contained a population of 242,279. There has undoubtedly been an increase in the population since 1890 of 10 per cent, which would make the present population 266,558. These counties contain 9,851 square miles of land, nine-tenths of which is cultivable. According to the report of the State bureau of agriculture for 1894, which is the last published, they also contain 14,577 farms, which grew agricultural products in quantity and value as follows:

Quantity and value of agricultural products grown in 1894 in counties having a water frontage on the Brazos River from its mouth to Waco.

Articles.	Quantity.	Value.
Cotton.....bales..	425,342	\$9,773,468
Corn.....bushels..	8,196,362	3,971,926
Oats.....do....	914,558	326,400
Sweet potatoes.....do....	465,237	247,554
Irish potatoes.....do....	41,553	53,644
Sugar.....barrels..	42,895	561,809
Hay.....tons....	26,668	184,443
Wool.....pounds..	169,409	14,646
Total		15,133,890

To this should be added the following:

Value of horses, cattle, sheep, and goats for the same year, as shown by said report, \$5,959,257. The value of the lumber, machinery, general merchandise, and other products not grown or manufactured in said counties would amount to not less than \$5,000,000, so that the combined value of the agricultural products, live stock, and imports in the counties named for 1894 amounted to \$26,093,147. It is not claimed that this amount in value of commerce was exported and imported, this summary being given for the purpose of showing the population and producing capacity, present and prospective, of the counties that would unquestionably be directly and immediately affected by the deepening of the harbor at the mouth of the Brazos River. All of the cotton, sugar, wool, and lumber, amounting in value to \$15,344,923, was handled by various transportation lines. A considerable percentage of the corn, potatoes, hay, and live stock also sought a market in the same way. Skirting the banks of the Brazos River, and in some places widening out many miles, there is a vast, and I may say almost unlimited, quantity of valuable timber, consisting of ash, cottonwood, pecan, sycamore, oak, hickory, elm, basswood, hackberry, box elder, a considerable quantity of holly, cedar, and walnut, and other timber suitable for manufacturing purposes, that would be brought into use by the completion of the improvements at the mouth of the river and its opening, even for a limited distance, to navigation.

The commercial interests of counties bordering the river and adjacent thereto, as far as navigation would be insured by the opening of the harbor at its mouth, without additional expense, except for removing snags, would alone justify the expense necessary to acquire and improve it. These counties are Brazoria, Fort Bend, Wharton, Matagorda, Austin, Washington, Waller, Grimes, and Brazos. The value of the agricultural products in these counties amounted to over \$18,000,000 in 1894. It should also be remembered that the territory above described, while comparatively well populated for a new country, is still in a large measure undeveloped. There is probably not one-third of its area under cultivation.

Situated along the Brazos River bottom and within a distance of 50 miles from its mouth there are twelve large sugar plantations, with modern machinery for sugar making, and also one of the largest sugar refineries in the United States. There are also many smaller sugar farms and factories, all making rapid progress in development. Competent judges estimate the area of territory lying immediately adjacent to Velasco and capable of sugar production, as being equal in extent and quality to the sugar-growing district of Louisiana.

By reference to the various reports of Government engineers detailed to examine the mouth of the Brazos River with a view to its improvement by the Government, it will be seen that they have, in the main, been favorable to such improvement. In 1881 a Board of Engineers, consisting of Generals Tower, Newton, and Abbot, recommended the expenditure of over half a million dollars for that purpose, and between that date and 1884 \$142,098.43 was actually expended by the Government in the undertaking. It is to be presumed that the commercial feature of this question was then considered, and that the several engineers and Boards that passed upon the question thought the commerce to be accommodated by the opening of the port sufficient to justify the expense necessary to do the work. If it was warranted then, how much more so now, when the commerce of a dozen counties within 100 miles of the mouth of the river amounts to more than the commerce of fifty of the wealthiest counties in the State then did.

So far I have confined my facts and statements to the proposition that, independent of any general commerce that would seek an outlet through the port of Velasco, there is a local territory and commerce sufficient to justify the Government in entering upon a scheme of improvement for their accommodation. I now propose to present for your consideration a few facts and observations bearing on the importance

to the entire State of the acquisition, control, and development by the Government of the Brazos River harbor.

The commerce of Texas, as a whole, and of the Western States, now seeking an outlet through the Gulf, does not belong to any particular locality. It is as much the commerce of the port of Velasco, within the limit of that port's capacity to handle it, as it is of the port of Galveston or the port of New Orleans, and will seek a market, foreign or domestic, through the port that offers the greatest advantages and along the line of least resistance. Already the commerce of the entire State seeking an outlet through Galveston, and more than half of the Texas commerce that goes through New Orleans, converge at the city of Houston, the railroad center of south Texas, 60 miles distant from Velasco, and from which place to Velasco there is direct transportation by rail. Rates of charges by rail from all points in Texas to Velasco are the same as to Galveston; and what is now needed is the deepening of the harbor at Velasco to a point where it will be a competitive outlet to all commerce of a local and State-wide character, to insure to the people of Texas the full benefit of the expenditures already incurred in securing deep water at Galveston as well as any that may be made for harbor improvements at Velasco. The benefit of opening competitive outlets to market is well illustrated in the effect on grain rates of securing deep water at Galveston. Your Board is doubtless aware that deep water at Galveston has resulted in a material reduction in grain rates from the grain-producing territory to foreign markets; and competitive ports such as New York, Baltimore, and other grain-shipping points are considering means by which port charges may be reduced and grain rates lessened so as to retain there trade. Not only do the shippers through the port of Galveston enjoy the benefit of this reduction in freight charges, but shippers in general, no matter by what route they may ship.

At present the port of Galveston is practically without competition in Texas. The entire water frontage at Galveston is owned by the Galveston Wharf Company, whose right to charge tolls or wharfage on the commerce passing across its wharves is protected by the constitution of the State of Texas, and not subject to legislative restriction or control. Its charter was obtained by the Republic of Texas, and the privileges therein granted were protected against abridgment by subsequent action of the legislative power by the constitution of 1876. (See Art. XII. sec. 7, constitution of the State of Texas, under the head of "Vested rights protected.") Such is not the case at Velasco. In the first place, the town of Quintana owns about 3,000 feet of river front near the mouth of the river, and various individuals own water frontage at other points. But if the entire water frontage were owned at Velasco or any other port except Galveston by one individual or corporation the right to charge wharfage or a toll on commerce would be subject to legislative control; and the people, in the exercise of their authority through the legislative power, could find relief from any wrong or injustice in port charges.

In addition to a diversity of ownership of water frontage at Velasco and the fact that the right to levy tolls on commerce passing through the port is subject to legislative control, the Brazos River Channel and Dock Company has leased to various persons water frontage for a long term of years at a nominal rental and with the right to erect their own wharves for the accommodation of their own business. (See map showing ownership of water frontage on Brazos River and adjacent thereto; also number, location, and duration of leases of water frontage made by Brazos River Channel and Dock Company.) There is therefore not even a remote possibility of a wharf monopoly at Velasco. But, in the event that the Board should deem these safeguards against a monopoly of river frontage and wharf privileges inadequate, I would suggest that in the act providing for the acquisition of the jetties and other auxiliary works a clause be inserted providing that, should there be a disagreement as to terms between the Brazos River Channel and Dock Company and railroads or manufacturing companies desiring water frontage, the matter be referred to the Secretary of War for final determination, and that both parties abide by his decision.

The effect of opening the harbor at the mouth of the Brazos River on rail rates would be to materially reduce them at all points reached by navigable water. Barges drawing from 2 to 4 feet could be floated down the river from a point 250 miles distant from its mouth; and, with a comparatively small expenditure in river improvement, a much greater distance. The mouth of the Brazos is the only point in Texas where the opening of a harbor capable of accommodating vessels of 20 feet draft or more would result in any material reduction in the rates and charges on freights to and from Gulf ports in the State, for the reason that it is the only port into which flows a navigable stream or a stream capable of being made navigable for any considerable distance. No reduction in rail charges to the seaboard from Texas points followed the opening of a deep-water harbor at Galveston, nor will such a result follow the opening of any other port on the Texas coast except at Velasco. The effect of the opening of said port, and of the river, to navigation, as far as it may be found practicable, on the rates of freight charges is illustrated by its effect

on such charges from points where the river is now navigable. The railroad commission rate on cotton in bales is 43 cents per 100 pounds, or \$2.15 per bale of 500 pounds for a distance of 100 miles. Columbia, a point on the Brazos River 100 miles from Galveston, can reach Galveston by both water and rail transportation. Cotton is carried from that point to Galveston by water for 20 cents per 100 pounds, or \$1 per bale of 500 pounds. Velasco, on the Brazos River, also has both water and rail transportation to Galveston. The distance from Velasco to Galveston by rail is 110 miles, and the railroad commission rate on cotton for that distance between all points in Texas not affected by water transportation is \$2.25 per bale of 500 pounds. But the water lines carry a 500-pound bale of cotton from Velasco to Galveston for 80 cents, and the rail line must do likewise or surrender the business to the water carriers.

There is therefore \$1.15 per bale saved to the producer on every bale of cotton shipped from Columbia to Galveston, and \$1.45 per bale on all shipments from Velasco to the same point, as compared to the railroad commission rates for a like distance, by reason of water competition. Fifteen thousand bales of cotton were produced in Brazoria County in 1896, on every bale of which the producer saved between \$1 and \$1.25 per bale in freight charges on account of its proximity to the navigable part of the Brazos River.

The influence of the Brazos River on freight rates is felt as far north as Richmond, a distance of about 100 miles from its mouth, though there is no actual shipping from that point down the river. Cotton may, however, be hauled down the river and shipped by water to the Gulf. The distance by rail from Richmond to Galveston is 64 miles, and the railroad commission rate on cotton for that distance is \$1.45 per bale of 500 pounds, but by reason of water competition it is necessary for the railroad companies to carry it for 75 cents per bale.

The railroad commission rate on a 500-pound bale of cotton from Waco to Galveston, a distance of 236 miles, is \$3.25. From Brenham to Galveston, a distance of 122 miles, it is \$1.95 per bale. The opening of the Brazos River to navigation by barges as far north as Brenham, where there is little, if any, doubt of its practicability, would materially reduce freight rates to all points north as far as Waco and to all points west of the river. Rates to the Gulf would then be made by adding the rail rate from the point of origin to the head of navigation on the river and the water rate thence to the Gulf together, the combination forming the through rate to the Gulf. By making the river navigable from tide water to Waco a sum not less than \$1,000,000 a year would be saved to the people of the Brazos Valley from Waco south in freight charges, and rates to all points in north Texas would be reduced more or less, according to distance from Waco. It is not necessary for commerce to actually move along a certain route for that route to exercise a controlling influence on freight rates. The Mississippi River well illustrates this point. Though only a very small part of the commerce of the Mississippi Valley now finds its way to market on the bosom of the Father of Waters, there is not a pound of freight originating near it or that crosses it on its destination to or from market the charges on which it does not exercise either a controlling or a modifying influence upon. So it would be with the Brazos River in Texas. It would be the greatest factor in the State in the regulation and control of freight charges, and there is no part of Texas that would not feel its beneficial effects were it opened to navigation even as far north as the Houston and Texas Central Railroad crossing, near the town of Brenham.

I do not hesitate to express the opinion that the saving in freight charges, compared to present rates on cotton, cotton-seed products, lumber, and other commodities that would be affected within a period of three years would pay all expenses necessary to obtain a 20-foot channel to the sea and open the river to barge transportation as far north as the crossing of the Houston and Texas Central Railroad, about 250 miles from its mouth. Within that distance the following railroads cross the river: Gulf, Colorado and Santa Fe; New York, Texas and Mexican; San Antonio and Aransas Pass; Galveston, Harrisburg and San Antonio (Southern Pacific); Missouri, Kansas and Texas; Texas Western; and Houston and Texas Central. The freight charges on cotton and other like commodities on all of these lines would be materially affected by opening the river to navigation as above suggested.

The cotton and other commodities would not all go to market by the water, but would be moved by the rail lines at rates fixed by the water route.

I do not believe that the people of Texas, and particularly of the upper Brazos Valley, have ever fully comprehended the meaning and effect of the opening of the Brazos River to navigation as far as it is practicable, though from the earliest period in Texas history the Brazos River has by common consent been regarded as susceptible of navigation for a considerable distance from its mouth. This opinion found expression in an act of the legislature of 1858 appropriating \$60,000 for its improvement, and also subsequently at various periods down to the present time in resolutions of boards of trade, memorials, petitions, etc., to the legislature of the State and to Congress requesting an appropriation for its improvement.

RAILROAD FACILITIES AT VELASCO.

As before stated, one rail line now reaches this port from Houston, where the principal roads of the State center. Other lines also contemplate securing an outlet here, and are awaiting the results of efforts to secure permanent deep water before taking further action. The San Antonio and Gulf Shore Railroad, whose charter calls for this point, is now under construction, has already completed 30 miles of its line, and has contracts out for the construction of 12 additional miles. The Gulf and Brazos Valley Railroad, whose southern terminus will be Velasco, has contracted for the construction of the first 25 miles of the line between Jacksboro and Mineral Wells, Tex. By reference to the map of Texas it will also be seen that a line of railroad 75 miles long, parallel with the Brazos River and following its course, would cross every important system of railroad in Texas.

Should the Government undertake the work confidence in its ultimate success would be at once inspired; and, however slow the progress of the work at first, investors in railroad and other enterprises would not hesitate to secure a foothold here and push their enterprises to completion.

In addition to what I have heretofore stated in regard to the ownership and control of water frontage at Galveston by the Galveston Wharf Company, I desire to add that the space capable of being utilized for docks and wharves at Galveston is limited; and there are physical difficulties in the way of an increase of shipping facilities there that act as an obstruction to the prompt and free movement of commerce. The result is a congested condition of traffic demanding relief, which can be obtained here at a less cost to the Government than elsewhere. Indeed, it is doubtful if additional facilities at Galveston can be provided except on space already overcrowded with commerce.

In alluding to the control of the water frontage at Galveston I do not wish to be understood as expressing an opinion that there is an abuse of the privileges enjoyed by the wharf company at Galveston. It is immaterial to the port of Velasco what charges are levied on commerce elsewhere, but it is a self-evident proposition that competition in outlets to the Gulf will secure to the producer the benefit of the lowest rate of wharf and other port charges at which commerce can possibly be handled.

The data and statements submitted, referring to the beneficial results of river improvement, may appear irrelevant so far as the subject immediately before the Board is concerned; but in view of the far-reaching influence on commerce that part of the river already navigable would exercise in freight charges to and from interior points in the event the Government should secure deep water at its mouth it is difficult to draw the line of distinction and avoid discussing, incidentally at least, the effect on commerce of the improvement of the river. The improvement of the river is out of the question unless the Government first secures control of the harbor at its mouth, and Government control of the harbor will immediately be followed by Government control and improvement of the river.

As a harbor of refuge for vessels in time of storm the Brazos River has no equal in the Gulf coast in Texas, and for that purpose it is invaluable to the Government. During every stormy period vessels near enough to its mouth seek refuge in the river, and so far as history gives an account no vessel has ever been wrecked in the river by storm.

L. L. FOSTER,

Manager Brazos River Channel and Dock Company.

Col. HENRY M. ROBERT,

President Brazos River Board, Velasco, Tex.

APPENDIX G.

Approximate statement, by Mr. E. L. Corthell, C. E., of materials used in Brazos River jetties and auxiliary works from beginning of work to January 8, 1897.

Piling:	Linear feet.
March, 1889, to December 1, 1889	100, 413
January, 1890, to February 29, 1896 (3,096 piles).....	100, 000
March 1, 1896, to March 31, 1896 (55 piles).....	1, 650
Total	202, 063
Lumber and timber in trestles, wharves, etc., at jetties:	Feet B. M.
March, 1889, to December, 1889.....	1, 827, 796
March 25, 1890, to September 9, 1890	\$5, 840. 21
September 10, 1890, to March 31, 1891	867. 70
April 1, 1891, to January, 1892	14, 527. 89
	21, 235. 80 at \$9.....
	225, 000
Total	2, 052, 796

Brush:		Cords.
March, 1889, to November, 1889		35, 037
February, 1890, to September, 1890		28, 103. 5
October, 1891, to November, 1892		14, 824. 9
February 26, 1895, to March 31, 1896.....		4, 341. 3
Total.....		82, 306. 7
	Cubic yards....	380, 216
Rock:		Tons.
March, 1889, to November, 1889		11, 500
February, 1890, to September, 1890		20, 133
October, 1891, to November, 1892.....		41, 694
February 25, 1895, to January 8, 1897.....		51, 435
Total		124, 762
Clay and shell:		Cubic yards.
To December 7, 1889		10, 279
To March 31, 1896		946. 44
		11, 225. 44
Concrete blocks:		
June 30, 1892, to December 31, 1892	\$10, 555. 04	
January 31, 1893, to December 31, 1893	1, 463. 97	
Labor and handling	761. 28	
		750
12, 780. 29 at \$17.....		750
		E. L. CORTHELL.
VELASCO TEX., January 8, 1897.		

APPENDIX H.

CONTRACTS BETWEEN MR. GUSTAV WILKE AND BRAZOS RIVER CHANNEL AND DOCK COMPANY.

Articles of agreement, made and concluded this 24th day of December, A. D. one thousand eight hundred and eighty-eight, by and between Gustav Wilke, of the city of Chicago, State of Illinois, and his executors or administrators, party of the first part, and the Brazos River Channel and Dock Company, a corporation duly and legally incorporated under and in accordance with the laws of the State of Texas, party of the second part, witnesseth:

That for and in consideration of the payments and covenants hereinafter mentioned to be made and performed by the said party of the second part, the said party of the first part doth hereby covenant and agree to furnish all necessary materials, boats, barges, and plants, and to construct such permanent and sufficient jetties and such auxiliary works, such as dikes, levees, wingdams, etc., and to do such dredging as may be necessary to create and maintain, as hereinafter set forth, a navigable channel at the mouth of the Brazos River, Texas, between said river and the Gulf of Mexico, and so far into the mainland and between the banks of the said Brazos River as may be necessary to create a channel twenty (20) feet deep and 100 feet wide at that depth from the deep pool above the contemplated cut-off in the Brazos River, to a depth of 20 feet in the Gulf of Mexico, outside the bar, and to maintain a channel of said dimensions for a period of twelve months from and after the creation of said channel, all in accordance with the following conditions, to wit:

1. That all work shall be done in accordance with the plans and specifications and under the supervision of the chief engineer of the second party or his authorized assistant, and the measurements, estimates, decisions, and channel certificates of the said chief engineer shall be final and binding upon the parties hereto. It is understood that the jetties and auxiliary works herein mentioned are generally to be similar to those at the mouth of the South Pass of the Mississippi River. It is understood that all engineering expenses shall be paid by the second party.

2. That the plane of reference to which shall be referred the depth of the channel mentioned in this contract shall be the average flood tide as shall be determined by the chief engineer from the observations which he shall make.

3. That the second party shall give the first party the right to take and use in said jetties and auxiliary works, and for other purposes connected therewith, any suitable timber and brush growing or standing upon their land, excepting such live oak as may be found on the land of the second party above what is known as the "Brown

tract," and further excepting all timber of any kind on land below the above-named tract.

4. The second party agrees to give the first party the use of the banks and any portion of said river below the place known as "Sea View" for dock facilities, but it is agreed that the use of the land and river for said purpose is not in any way to obstruct its free navigation.

The second party agrees to give the first party free occupancy of any land it may own for his boarding houses, shops, warehouses, mattress ways, plant, and for all other purposes of a like nature required for the rapid and economical prosecution of said works and their construction. This occupancy apply only to lands owned by the second party lying below "Sea View," and it is further understood that the second party may at any time enter upon said lands for the purpose of making improvements, providing the same does not interfere with their use as granted to the first party.

5. Time.—It is further agreed that the work under this contract shall be substantially commenced within ninety days from the date of execution of this agreement and shall be prosecuted with all reasonable dispatch to the intent that said jetties and auxiliary works may be completed and the channel herein mentioned may be created within two years after the execution of this agreement; and these limits as to time are understood to be essential conditions of this contract and binding upon the first party.

6. The chief engineer, or his authorized assistant, shall have authority to discharge disorderly or inefficient foremen or other employees of the first party engaged in said work, if, in his judgment, their presence or employment upon the works is detrimental to its character, progress, or interest, provided the first party fails to discharge them upon his request to do so.

7. In consideration of the foregoing stipulations and conditions the second party covenants and agrees to pay to the first party, upon the certificate of the chief engineer, for performing the work mentioned in this contract the following sums of money and bonds:

When a channel 12 feet in depth without regard to width shall have been obtained from a channel of said depth in the river at the deep pool above the contemplated cut-off to said depth in the Gulf of Mexico outside of the bar, two hundred and fifty thousand (\$250,000) dollars; when a channel fourteen feet in depth and fifty feet in width shall have been obtained, one hundred thousand (\$100,000) dollars in cash and fifty thousand (\$50,000) dollars in the first mortgage bonds of the Brazos River Channel and Dock Company; when a channel sixteen feet in depth and fifty feet in width shall have been obtained, one hundred thousand (\$100,000) dollars in cash and fifty thousand (\$50,000) dollars in bonds; when a channel eighteen feet in depth and seventy-five feet in width shall have been obtained, one hundred thousand (\$100,000) dollars in cash and fifty thousand (\$50,000) dollars in bonds; when a channel twenty feet in depth and one hundred feet in width shall have been obtained and maintained for twelve months, one hundred thousand (\$100,000) dollars in cash and fifty thousand (\$50,000) dollars in bonds; the aggregate amount of payments for the entire work as above specified being six hundred and fifty thousand (\$650,000) dollars in cash and two hundred thousand (\$200,000) dollars in bonds. The bonds herein mentioned are to be secured by first mortgage upon all the rights, franchises, and property of the Brazos River Channel and Dock Company, consisting of the jetties at the mouth of the Brazos, the docks and warehouses on the banks of the Brazos, the land for dock purposes, at least one hundred and fifty feet in width along both banks of the Brazos River for ten miles from its mouth, the right to collect channel and dock tolls; in short, all its rights and franchises conferred either by the charter from the State of Texas or the act of Congress of the United States, and all the property it may acquire either by purchase, condemnation, or construction during the existence of the mortgage.

The said bonds are to be still secured by a first mortgage upon about twenty-seven thousand acres of land lying on each side of the Brazos River at and near the mouth of said river.

If the second party so elects, it may make all of the bond payments, or any part of them, in cash.

It is further agreed that when the jetties and auxiliary works herein mentioned in the river shall have been completed to a depth of twelve feet of water on the outside of the bar in the Gulf of Mexico, the second party shall make an advance of one hundred and fifty thousand (\$150,000) dollars in cash to the first party, the same being understood to be an advance on the first payment above mentioned for obtaining a channel of twelve feet in depth.

It is hereby stipulated and agreed by and between the parties hereto that if default for thirty days shall be made in the payments of the several sums of money, or in delivery of the bonds to be paid and delivered to the party of the first part as hereinbefore provided, or in each of them, then the party of the first part may declare

the contract ended and determined without notice to the party of the second part, and shall be determined to recover from the party of the second part any and all damages he may have sustained by reason of any such default on the part of the party of the second part.

8. That all payments made as heretofore provided for are in contemplation of the final completion of this contract within the limit of time as prescribed herein, and it is understood that all such payments, except the last and final payment as provided for, are simply advances upon the work, and are not considered as earned by the party of the first part until the completion of the entire contract contemplated herein, namely, the creation of a channel twenty feet deep and one hundred feet wide at that depth, as above specified, and the maintenance of said channel as provided for in this contract.

9. The first party agrees to maintain the intermediate channel depth and width herein mentioned until this contract is terminated, the same to be done at his expense, but under the direction and supervision of the chief engineer of the second party or his authorized assistant; and the first party further agrees that no temporary structures, plant, floating equipment, or other means employed by him in the prosecution of his work shall hinder, delay, or materially interfere with the free navigation in said river or between said river and the Gulf of Mexico, and he further agrees to be responsible for all damages arising from his failure to comply with the above conditions.

10. It is understood in general that all requirements of the act of Congress dated August 9, 1888, for improving the mouth of the Brazos River shall be fully complied with by the first party so far as they relate to this contract.

It is further agreed that the first party shall not assign this contract to other parties nor transfer nor sublet any part of the same, except so far as relates to materials, unless upon the sanction and approval in writing of the chief engineer of the second party.

In case the work is at any time suspended for a period of more than thirty days, either by death or disability of the first party, or for any other cause, it is expressly understood that the second party may take entire possession and control of the work and of its entire equipment and materials and of the force employed and may prosecute the work at the expense of the first party, or of his executors or administrators, until such time as the first party or his executors or administrators are fully prepared to take up the work and carry it forward vigorously, it being understood that the object of the above provision is to insure from the start the continuous and rapid prosecution of the work until its completion, such method of work being considered as of vital importance to its success.

In witness whereof the said parties of the first part hath hereunto set his hand and seal in duplicate the day and year first above written, and the said the Brazos River Channel and Dock Company of Brazoria County, Texas, has caused its corporate name to be hereunto signed in duplicate by its president, for that purpose duly authorized, and its corporate seal to be hereunto affixed by its secretary the day and year first above written.

GUSTAV WILKE.
THE BRAZOS RIVER CHANNEL AND DOCK COMPANY,
By WM. M. D. LEE, *President*.

Witnesses:
E. L. CORTHELL.
W. J. KARNER.

Attest:

[SEAL.]

J. M. FERGUSON,
Secretary Brazos River Channel and Dock Company.

For value received I hereby surrender and cancel the within contract, and hereby release the Brazos River Channel and Dock Company and also the guarantees, Abner Taylor and Lee & Ferguson, from all and every obligation whatever arising under or by virtue of said contract. And I hereby deliver to the said the Brazos River Channel and Dock Company the jetties constructed, together with all material of every kind, tools, machinery (except dredge), telegraph line, and steam tug belonging to me, and warrant the same to be free from all claims whatever.

Witness my hand this 18th day of January, A. D. 1890.

GUSTAV WILKE.

Witnesses:
G. W. ANGLE.
ALEX DELGADE.

GUARANTY.

We, Abner Taylor, of Chicago, Illinois, and William M. D. Lee and John M. Ferguson, parties doing business under the firm name and style of Lee & Ferguson, of Leavenworth, Kansas, for a valuable consideration to each of us in hand paid by

Gustav Wilke, of Chicago, Illinois, the receipt of which is hereby acknowledged, the moving consideration for the execution of this contract by said Wilke being a guaranty hereunto set forth do hereby jointly and severally guarantee the faithful performance on the part of the party of the second part of all and singular the provisions, agreements, and stipulations in the foregoing contract contained to be done, fulfilled, and performed by said party of the second part, this instrument of guaranty to be executed and delivered contemporaneously with the duplicate contract delivered to said Wilke and to be construed in connection thereto.

LEE & FERGUSON.
ABNER TAYLOR.

Witnesses for Lee & Ferguson:

E. L. CORTHELL.
W. J. KARNER.

Memorandum of agreement made this tenth day of January, A. D. 1890, by and between Gustav Wilke, of Chicago, Illinois, party of the first part, and the Brazos River Channel and Dock Company, party of the second part, witnesseth:

That party of the first part, for and in consideration of the sum of three hundred thousand dollars, payable as follows:

Ninety thousand dollars cash in hand, the receipt of which is hereby acknowledged; twenty-five thousand dollars secured by the note of said company, bearing even date herewith, and payable to the order of said Wilke on or before ninety days after date, with interest at six per cent per annum, guaranteed by Abner Taylor and "Lee & Ferguson;" and one hundred eighty-five thousand dollars secured by the note of said company, bearing even date herewith, payable to the order of said Wilke on or before one year after date, with interest at six per cent per annum, also guaranteed by said Abner Taylor and Lee & Ferguson, and to be further secured by the first-mortgage bonds of said party of the second part, to the amount of two hundred thousand dollars; and upon receipt of the notes and collateral above specified on or before fifteen days from this date, hereby agrees to cancel and surrender to party of the second part the certain contract made between the parties hereto, bearing date the twenty-fourth day of December, A. D. 1888, for the performance of certain work and other acts and things in said contract specified, and also sell, assign, transfer, and convey to party of the second part all the tools, plant (except dredge and equipment), machinery, material, boats, barges, and buildings, steam tug, and private residence of Mrs. Mary Wilke, as the same are owned and have been used by the said Wilke in prosecuting work under the contract aforesaid, and the same now being at the mouth of the Brazos River in the State of Texas, free from all liens and incumbrances whatever.

And party of the second part, in consideration of the covenants and agreements of party of the first part, hereby agrees simultaneously upon the cancellation and delivery of said agreement, and the conveyance to it of the property above mentioned, that it will transfer and deliver to the party of the first part the notes and securities above mentioned as the same are herein specified and set forth, and promptly within the time above limited.

And it is mutually agreed by and between the parties hereto that said party of the first part, at his election, may at any time within thirty days after the expiration of six months from this date, accept the two hundred thousand dollars of bonds in full payment and satisfaction of said note for one hundred and eighty-five thousand dollars; but if he so elects, he hereby agrees to surrender and deliver up said last-named note to the party of the second part within thirty days after the expiration of said six months, and upon failure of party of the second part to make such election and surrender said note within the time above limited, his right to accept said bonds in payment shall cease and determine. Said bonds for \$200,000 are now in the hands of the American Loan and Trust Company of Boston, as trustees for party of the second part, which said bonds are to be held by said trust company for the benefit of said Wilke as security for the note aforesaid, and the said bonds are to become his property in case he elects to accept the same as hereinbefore set forth. And party of the second part hereby agrees that it will furnish to said Wilke, at the same time it delivers the notes and securities above mentioned to him, a certificate of said trust company that it holds said bonds for the benefit of Wilke and as collateral for the note of the party of the second part to said Wilke for one hundred and eighty-five thousand dollars; and that immediately upon notice of said Wilke's election to accept said bonds in payment of said note, or upon notice that default has been made in the payment of said note, it will transfer and deliver up said bonds to said Wilke on demand.

And it is further agreed that said one hundred and eighty-five thousand dollars note shall contain a power of sale of the bonds pledged as collateral by said Wilke or his assigns, and the form of the notes to be executed by party of the second part has been agreed upon by the parties hereto. Upon the surrender of said contract, dated

December 24th, 1888, the parties hereto shall be mutually absolved and released from any claims or liabilities thereunder, each to the other.

In witness whereof the said party of the first part has hereunto set his hand and seal in duplicate the day and year first above written, and the said the Brazos River Channel and Dock Company, of Brazoria County, Texas, has caused its corporate name to be hereunto signed in duplicate by its president, for that purpose duly authorized, and its corporate seal to be hereunto affixed by its secretary, the day and year first above written.

GUSTAV WILKE. [L. S.]
THE BRAZOS RIVER CHANNEL & DOCK CO.,
By W. M. D. LEE, *President*.

THOS. J. HURLEY, *Secretary*.
[SEAL.]

THE STATE OF TEXAS, *County of Brazoria*:

Know all men by these presents, that I, Gustav Wilke, have bargained, sold, and delivered, and do hereby bargain, sell, and deliver to the said the Brazos River Channel and Dock Company, its successors and assigns, the following described property, to wit: All the tools, plant (except dredge and its equipment), machinery, material, boats, barges, and buildings, steam tug and telegraph line, the same lately used by me in connection with the Brazos River improvement, all of said property being now in said county of Brazoria, said buildings being in the town of Quintana, and on the east side of the said Brazos River, in Velasco. Said telegraph line extends from Quintana to Columbia, in said Brazoria County, Texas. And it is intended hereby to include and embrace all property of the character above described now on hand, known as the property used by me in connection with said Brazos River improvement.

* * * * *
In witness whereof, I hereunto sign my name this 15th day of January, 1890.

GUSTAV WILKE.

APPENDIX I.

CHARTER OF BRAZOS RIVER CHANNEL AND DOCK COMPANY.

Be it known that the undersigned, Ira H. Evans, of Austin, Texas; Geo. W. Angle and Chas. W. Ogden, of San Antonio, Texas; and Wm. M. D. Lee, of Leavenworth, Kansas, hereby declare their intention of associating themselves together for the purpose of forming a private corporation under and in accordance with the laws of the State of Texas, for the uses and purposes hereinafter specified, and for that purpose agree to, subscribe, and present the following:

CHARTER OF THE BRAZOS RIVER CHANNEL AND DOCK COMPANY.

First. The name of the corporation shall be The Brazos River Channel and Dock Company.

Second. This corporation is formed for the purpose of constructing, owning, and operating a deep-water channel, from the waters of the Gulf of Mexico to the mainland at the mouth of the Brazos River, in the County of Brazoria, State of Texas, for the purpose of navigation and transportation, and for the construction, owning, and operating docks on the coasts of the Gulf of Mexico, at some convenient and safe place at or near the mouth of the said Brazos River, for the protection and accommodation of ships, boats, and all kinds of vessels for navigation, and their cargoes, and for the construction, maintenance, and operation of its said channel, with a depth of not less than ten (10) feet, and a width of not less than forty (40) feet, so far into the mainland, and between the banks of the said Brazos River, for its docks, that will afford security from cyclones, storms, and tidal waves; and for the construction, owning, and operating at such place or places on the banks of the said Brazos River, to which it may be necessary to construct, maintain, and operate said channel in order to afford security from such cyclones, storms, swells, and tidal waves, charging and collecting from the vessels using said docks, or from their masters, owners, or consignees, such sum or sums for the use of said docks, as may be authorized by the by-laws of this corporation, and agreed to by the masters, owners, or consignees of such vessels; and for the purpose of furnishing to vessels and boats adapted to the purpose facilities for navigating in and along the entire length of its said channel, charging and collecting such toll therefor as may be prescribed by the by-laws of this corporation, not to exceed one cent per barrel bulk of the capacity of each vessel for each mile of the length of its channel used by the vessel going either way; and for the purpose of constructing, owning, and maintaining a harbor

at or near the mouth of the said Brazos River, by building piers and breakwaters so far into the Gulf of Mexico as may be necessary to obtain sufficient depth of water to facilitate the ingress and egress, and the safety while in port of such vessels as may enter the same, to be done however, subject and in subordination of the Government of the United States, in as far as it may have constitutional power to control the same; and for the purpose of providing facilities to vessels and boats entering its harbor for anchorage, receiving and discharging cargoes and passengers, charging and collecting fair and reasonable tolls and wharfage therefor, to be prescribed by the by-laws of the corporation.

Third. The business of the corporation shall be transacted in Brazoria County, State of Texas.

Fourth. This corporation shall exist for the period of fifty years from the date hereof.

Fifth. The board of directors shall consist of seven (7) members, and the following are the names of the directors hereby appointed for the first year:

Ira H. Evans, Austin, Tex.

Jot Gunter, Dallas, Tex.

Geo. W. Angle, San Antonio, Tex.

Wm. M. D. Lee, Leavenworth, Kans.

John M. Ferguson, Leavenworth, Kans.

A. J. Tullock, Leavenworth, Kans.

Sixth. The capital stock of this corporation shall be one million (\$1,000,000) dollars, to be divided into ten thousand (10,000) equal shares, of the par value of one hundred dollars (\$100) each.

Witness our signatures at Austin, Texas, this 16th day of February, A. D. 1888.

IRA H. EVANS,
G. W. ANGLE,
CHAS. W. OGDEN,
WM. M. D. LEE.

STATE OF TEXAS, *County of Travis:*

Before me, A. B. Langemann, a notary public in and for Travis County, Tex., this day personally appeared Ira H. Evans, Geo. W. Angle, Chas. W. Ogden, and Wm. M. D. Lee, well known to me to be the persons whose names are subscribed to the foregoing instrument of writing, and acknowledged to me that they had signed and executed the same for the purposes and consideration therein expressed.

Witness my official signature and seal at Austin, Tex., this 16th day of February A. D. 1888.

[L. S.]

A. B. LANGEMANN,
Notary Public, Travis County, Tex.

(Indorsed:) Charter "The Brazos River Channel and Dock Company." Filed in department of state February 17th, A. D. 1888.

J. M. MOORE, *Secretary of State.*

THE STATE OF TEXAS, *Department of State.*

I, J. M. Moore, secretary of state of the State of Texas, do hereby certify that the foregoing is a true copy of the original charter of the Brazos River Channel and Dock Company, with the endorsements thereon as now appears of record in this department.

Witness my official signature and the seal of State affixed, at the city of Austin, this 29th day of February, A. D. 1888.

[L. S.]

J. M. MOORE, *Secretary of State.*

Now comes Wm. M. D. Lee, Ira H. Evans, Jot Gunter, Geo. W. Angle, John M. Ferguson, A. J. Tullock, and Charles W. Ogden, directors of "The Brazos River Channel and Dock Company," and hereby certify that at a meeting of the stockholders of the said Brazos River Channel and Dock Company held on the third day of November 1888, at the town of Brazoria, State of Texas, at which said meeting the entire capital stock of the company was represented by the holders thereof, the following resolution was carried by a unanimous vote of the stockholders:

"Be it resolved, That the capital stock of this corporation be increased to (\$2,000,000.00) two million dollars, which shall be represented by twenty thousand (20,000) shares of the par value of (\$100.00) one hundred dollars each, and be it further resolved that the board of directors be, and are hereby, instructed to certify this increase of the capital stock and to file the certificate of such increase with the secretary of state of the State of Texas in accordance with the provisions of article 576 of the Revised Statutes of the State of Texas."

Wherefore we, the said undersigned directors, hereby certify the date and amount of the said increase of the capital stock of the said Brazos River Channel and Dock Company, and pray that the same may be duly recorded as provided by law.

Witness our signatures at Brazoria, county of Brazoria, State of Texas, this 3rd day of November, A. D. 1888.

A. J. TULLOCK.
J. M. FERGUSON.
JOT GUNTER.
IRA H. EVANS.
W. M. D. LEE.
CHAS. W. OGDEN.
G. W. ANGLE.

THE STATE OF TEXAS, *County of Bexar*:

Before me, Sam. M. Johnson, a notary public in and for the county and State aforesaid, on this day personally appeared W. M. D. Lee, Charles W. Ogden, and George W. Angle, all known to me to be the persons whose names are signed to the foregoing instrument of writing, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office at San Antonio, Bexar County, Tex., this 7th day of November, A. D. 1888.

SAM. M. JOHNSON,
Notary Public, Bexar County, Tex.

THE STATE OF KANSAS, *Leavenworth County*:

Be it remembered, that on this 19th day of November, A. D. 1888, before me, the undersigned, a notary public in and for the county and State aforesaid, came J. M. Ferguson and A. J. Tullock, who are personally known to me to be the same persons who executed the foregoing instrument of writing, and such persons duly acknowledged the execution of the same.

In witness whereof I have hereunto set my hand and affixed my notarial seal the day and year last above written.

(My commission expires November 11, 1891.)

[L. S.]

CHARLES NEELY, *Notary Public.*

STATE OF TEXAS, *County of Dallas*:

Before me, E. H. Robertson, a notary public in and for the county and State aforesaid, on this day personally appeared Jot Gunter, known to me to be the person whose name is signed to the foregoing instrument of writing, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office at Dallas, Dallas County, Tex., on this 26th day of December, A. D. 1888.

[L. S.]

E. H. ROBERTSON,
Notary Public, Dallas County, Tex.

THE STATE OF TEXAS, *County of Travis*:

Before me, A. B. Langemann, a notary public in and for the county of Travis, in the State of Texas, on this day personally appeared Ira H. Evans, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office at Austin, Tex., this 27th day of December, A. D. 1888.

A. B. LANGEMANN,
Notary Public, Travis County, Tex.

(Endorsed:) Amendment to the Brazos River Channel and Dock Company. Filed in department of state January 29, A. D. 1889.

J. M. MOORE, *Secretary of State.*

THE STATE OF TEXAS, *Department of State.*

I, Geo. W. Smith, secretary of state of the State of Texas, do hereby certify that the foregoing is a true copy of the amended charter of the Brazos River Channel and Dock Company, with the endorsements thereon, as now appears of record in this department.

Witness my official signature and the seal of State affixed, at the city of Austin, this 30th day of November, A. D. 1894.

[L. S.]

GEO. W. SMITH, *Secretary of State.*

THE STATE OF TEXAS, *County of Brazoria*:

I, E. D. Dorchester, secretary of the Brazos River Channel and Dock Company, do hereby certify that the above and foregoing copies of the charter and amendment to charter of the Brazos River Channel and Dock Company are true and correct copies of the said charter and amendment thereto.

E. D. DORCHESTER,
Secretary Brazos River Channel and Dock Company.

THE STATE OF TEXAS, County of Brazoria:

Before me, the undersigned authority, on this day personally appeared E. D. Dorchester, secretary of the Brazos River Channel and Dock Company, personally known to me to be the person whose name is subscribed to the foregoing instrument as secretary of the said Brazos River Channel and Dock Company, who, after being by me duly sworn, on oath deposes and says that the above and foregoing copies of the charter and amendment to charter of the Brazos River Channel and Dock Company are true and correct copies of the said charter and amendment thereto.

E. D. DORCHESTER.

Subscribed and sworn to before me this 2d day of February, A. D. 1897.

[SEAL.]

THOS. E. DOUTHIT,
Notary Public, Brazoria County, Tex.

APPENDIX K.

AN ACT to incorporate the Texas Land and Immigration Company.

SECTION 1. *Be it enacted by the legislature of the State of Texas, That T. B. Reynolds, Thomas Kearney, W. W. Phelps, and Ira H. Evans, and their associates, be, and they are hereby, incorporated and declared to be a body corporate and politic, under the name of the Texas Land and Immigration Company, and under such name may transfer their rights by succession, and shall be persons in law capable of suing and being sued, impleading and being impleaded, and that they and their successors, by the same name and style, shall be in law capable of holding and conveying any estate, real, personal, or mixed, and doing and performing all things necessary for the business of said company, and not contrary to the constitution and laws of this State. Said company shall have a corporate seal, with such device as they may select.*

SEC. 2. *That the objects of said company are declared to be to promote immigration to Texas, to facilitate the sale and purchase and the settlement of lands by immigration, and to introduce laborers, skilled operators, and capital into the State.*

SEC. 3. *That the capital stock of said company shall be one million of dollars, divided into shares of one hundred dollars each, and the said company may commence operations with all the powers and penalties of this act whenever fifty thousand dollars of the capital stock shall have been subscribed.*

SEC. 4. *That the management of the affairs of said company shall be conducted by a board of directors, and under such rules and regulations as the stockholders may determine at their first regular meeting; and the organization of said company and appointment of officers shall take place at such meeting.*

SEC. 5. *That the company may dissolve by a vote of two-thirds of the issued stock, in which event, after the payment of all outstanding obligations, the land and other possessions held by the company shall be sold at public auction, to be paid for in outstanding shares of the capital stock of the company until all such outstanding shares shall have been redeemed, and if not sooner dissolved its rights and franchises shall expire by limitation in thirty (30) years.*

SEC. 6. *That a majority of the board of directors of said company shall have power to pass all necessary regulations, ordinances, and by-laws for the regulation and government of said company in its business and contracts as are not in contravention of the constitution and laws of this State.*

SEC. 7. *That this act shall take effect and be in force from and after its passage.*

Approved October 24th, 1871.

THE STATE OF TEXAS, *Department of State.*

I, Geo. W. Smith, secretary of state of the State of Texas, do hereby certify that the within and foregoing is a true copy of an act of the legislature of the State of Texas entitled as follows, with date of approval: "An act to incorporate the Texas Land and Immigration Company, approved October 24, 1871," the original enrolled bill of said act being now on file in this department.

Witness my official signature and the seal of State affixed at the city of Austin this the 22d day of June, A. D. 1891.

[SEAL.]

GEO. W. SMITH, *Secretary of State.*

I, E. D. Dorchester, secretary of the Texas Land and Immigration Company, do hereby certify that the above and foregoing is a true copy of the charter of the Texas Land and Immigration Company.

E. D. DORCHESTER,
Secretary Texas Land and Immigration Company.

THE STATE OF TEXAS, *County of Brazoria*:

Before me, the undersigned authority, on this day personally appeared E. D. Dorchester, secretary of the Texas Land and Immigration Company, personally known to me to be the person whose name is subscribed to the foregoing instrument as such secretary of the said Texas Land and Immigration Company, who, after being by me duly sworn, on oath deposes and says that the above and foregoing copy of the charter of the Texas Land and Immigration Company is a true and correct copy of such charter, and that he signed the above certificate as secretary of said Texas Land and Immigration Company.

E. D. DORCHESTER.

Sworn to and subscribed before me this 2d day of February, A. D. 1897.

[SEAL.]

THOS. E. DOUTHIT,
Notary Public Brazoria County, Tex.

APPENDIX L.
CHARTER OF THE VELASCO TERMINAL RAILWAY COMPANY.

Be it known that we, the undersigned, Abner Taylor, W. M. D. Lee, J. M. Ferguson, E. J. Wilson, Gustav Wilke, G. W. Angle, F. W. Vaughn, W. W. Anderson, L. E. Deger, and Frank Caldwell, subscribers in good faith to the capital stock of the contemplated railway herein named, do hereby, in accordance with the laws of the State of Texas, adopt and subscribe the following articles of incorporation:

ARTICLE I.

The name of the corporation shall be "The Velasco Terminal Railway Company."

ARTICLE II.

This corporation is formed for the purpose of constructing, equipping, owning, and operating a railroad with all necessary side tracks, switches, turn-outs, turntables, etc., with suitable telegraph lines from a point in the county of Brazoria, Texas, on the east bank of the Brazos River, in Velasco, about three or three and a half miles above the mouth of said river, through the county of Brazoria and into the county of Fort Bend, Texas, to Arcola Junction, in all making about forty miles of railway.

ARTICLE III.

The principal office of this corporation shall be established and maintained in Velasco, Brazoria County, Texas, situated about three or three and a half miles above the mouth of the Brazos River.

ARTICLE IV.

The existence of this corporation shall date from the filing of the articles of incorporation in the office of the secretary of state for the State of Texas, and shall exist for the period of fifty years from that date, with right of renewal, as provided by law.

ARTICLE V.

The amount of the capital stock of this corporation shall be (\$600,000) six hundred thousand dollars.

ARTICLE VI.

The places of residence of the several subscribers hereto are as follows: Abner Taylor, Chicago, Illinois; W. M. D. Lee, Leavenworth, Kansas; J. M. Ferguson, Leavenworth, Kansas; E. J. Wilson, Brazoria, Texas; Gustav Wilke, Chicago, Illinois; G. W. Angle, San Antonio, Texas; F. W. Vaughn, Velasco, Texas; W. W. Anderson, Chicago, Illinois; L. E. Deger, Velasco, Texas; Frank Caldwell, Velasco, Texas.

ARTICLE VII.

The corporation hereby created, and its successors, shall be forever subject to all the changes, rules, and regulations that may be prescribed by the laws of Texas.

ARTICLE VIII.

The board of directors of this corporation shall consist of seven members, and E. J. Wilson, G. W. Angle, Gustav Wilke, Frank Caldwell, Abner Taylor, Lewis R. Bryan, a resident citizen of Brazoria County, Texas, and E. S. Dreyer, of Chicago, Illinois, all of whom are subscribers to stock in said company, shall be members and constitute the first board of directors of said corporation; and the government of this corporation and the management of its affairs shall be vested in the board of directors, provided that the said board of directors may, whenever it shall be deemed best, elect from their number an executive committee of three members of whom the president of said board of directors shall be one, in which said committee shall be vested the government of this corporation and the management of its affairs during the intervals between the meetings of the board of directors.

ARTICLE IX.

The capital stock of this corporation shall be divided into (6,000) six thousand shares of the par value of (\$100) one hundred dollars each.

ABNER TAYLOR.
W. M. D. LEE.
J. M. FERGUSON.
E. J. WILSON.
GUSTAV WILKE.
G. W. ANGLE.
F. W. VAUGHAN.
W. W. ANDERSON.
L. E. DEGER.
FRANK CALDWELL.

THE STATE OF TEXAS, *County of Brazoria*:

Before me, S. M. Jack, justice of the peace and ex officio a notary public in and for the county and State aforesaid, on this day personally appeared Abner Taylor, W. M. D. Lee, J. M. Ferguson, E. J. Wilson, Gustav Wilke, G. W. Angle, F. W. Vaughan, W. W. Anderson, L. E. Deger, and Frank Caldwell, each and all known to me to be the persons whose names are signed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office at Quintana this 27th day of July, A. D. 1891.

S. M. JACK,
Justice of the Peace and ex officio Notary Public, Brazoria County, Tex.

THE STATE OF TEXAS, *County of Brazoria*:

Before me, the undersigned authority, personally appeared Abner Taylor, Gustav Wilke, and G. W. Angle, who, after being by me duly sworn, on oath depose and say that an amount of the capital stock of the Velasco Terminal Railway Company equal to one thousand dollars (\$1,000) for every mile of railway embraced in and authorized by the charter or articles of incorporation of said company has been in good faith subscribed, and that (5) five per centum of said amount so subscribed has been actually paid to the directors of said company.

ABNER TAYLOR.
GUSTAV WILKE.
G. W. ANGLE.

Subscribed and sworn to before me this 27th day of July, A. D. 1891.

S. M. JACK,
Justice of the Peace, Brazoria County, Tex.

AUSTIN, July 29, 1891.

I hereby certify that I have carefully examined the articles of incorporation of the Velasco Terminal Railway Company and find the same to be in accordance with title 84, Chapter I, of the Revised Statutes, and the act approved April 8, 1889, amendatory thereof, and not in conflict with the laws of the United States or of this State.

[SEAL.]

C. A. CULBERSON, *Attorney-General.*

STATE OF TEXAS, *Department of State.*

I, George W. Smith, secretary of state of the State of Texas, do hereby certify that the foregoing original charter of the Velasco Terminal Railway Company was filed for record in this department July 29, 1891, and the same, with endorsements thereon, is now of record on pages 34 to 36, Book D, of railroad charters.

Witness my official signature and the seal of State affixed at the city of Austin this 30th day of July A. D. 1891.

[SEAL.]

GEO. W. SMITH, *Secretary of State.*

AMENDMENT OF THE ARTICLES OF INCORPORATION OF THE VELASCO TERMINAL RAILWAY COMPANY.

Be it known that in accordance with the provisions of the laws of the State of Texas authorizing any railroad corporation heretofore organized and now existing by virtue of articles of incorporation heretofore filed in the office of the secretary of state of the State of Texas, duly certified as examined and approved by the attorney-general of said State, does hereby and by these presents and by this amendment in writing, signed by the president and board of directors of said corporation, amend its articles or act of incorporation so as to add thereto the following clause or section, to wit:

It is the purpose and intention of this corporation to construct, own, maintain, and operate a branch line of railway from its main line at Angleton, in Brazoria County, Texas, to Alvin, in Brazoria County, Texas, a distance of about 21 miles.

The object of this amendment to charter of said Velasco Terminal Railway Company is to project and provide for the locating, constructing, owning, maintaining, and operating a branch line from its said main line at Angleton to said town of Alvin, in Brazoria County. Said line will run in a northeasterly direction from said station known as Angleton to said town of Alvin, and it is not the purpose of this amendment to change the charter of this corporation in any other manner than by adding thereto the clause or section above set forth in this amendment.

It is also the purpose of this corporation to construct, own, and operate such necessary telegraph lines along the line of railway of this company constructed or to be constructed as may be necessary for the business and purposes of this corporation.

In witness whereof the said corporation, the Velasco Terminal Railway Company, has caused this writing to be signed by its president and board of directors of this corporation, and attested by its secretary under the seal of said corporation, this nineteenth of June, A. D. 1893.

C. B. FARWELL, *President.*

ABNER TAYLOR, *Director.*

W. M. D. LEE, *Director.*

G. W. ANGLE, *Director.*

EUGENE J. WILSON, *Director.*

F. CALDWELL, *Director.*

LEWIS R. BRYAN, *Secretary and Director.*

[SEAL.]

STATE OF ILLINOIS, *County of Cook:*

Before me, Charles F. Harding, a notary public in and for county of Cook, in the State of Illinois, on this day personally appeared C. B. Farwell, the president of the Velasco Terminal Railway Company, known to me to be the person whose name is subscribed to the foregoing instrument; and acknowledged to me that he executed the same for the purposes and consideration therein expressed for and in behalf of the Velasco Terminal Railway Company; and said C. B. Farwell, as such president of said company, acknowledged such instrument to be the act and deed of the said corporation, the Velasco Terminal Railway Company, and he further acknowledged said instrument to be an amendment to the articles of incorporation of the said Velasco Terminal Railway Company, and that he signed same as president of said corporation.

Given under my hand and seal of office this nineteenth day of June, A. D. 1893.

[SEAL.]

CHARLES F. HARDING, *Notary Public.*

STATE OF ILLINOIS, *County of Cook:*

Before me, Charles F. Harding, a notary public within and for the county of Cook, in the State of Illinois, personally appeared Abner Taylor, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed, and further acknowledged said instrument to be an amendment to the articles of incorporation of the Velasco Terminal Railway Company, and that he signed the same as such as a member of the board of directors of said company.

Given under my hand and seal of office this 19th day of June, A. D. 1893.

[SEAL.]

CHARLES F. HARDING, *Notary Public.*

THE STATE OF TEXAS, *County of Brazoria:*

Before me, F. W. Vaughan, a notary public within and for the county of Brazoria, in the State of Texas, personally appeared W. M. D. Lee, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to

me that he executed the same for the purposes and consideration therein expressed, and further acknowledged said instrument to be an amendment to the articles of incorporation of the Velasco Terminal Railway Company, and that he signed the same as such a member of the board of directors of said company.

Given under my hand and seal of office this 23d day of June, A. D. 1893.

F. W. VAUGHAN,
Notary Public, Brazoria County, Tex.

THE STATE OF TEXAS, *County of Brazoria*:

Before me, F. W. Vaughan, a notary public within and for the county of Brazoria, in the State aforesaid, personally appeared Eugene J. Wilson, F. Caldwell, G. W. Angle, and Lewis R. Bryan, known to me to be the persons whose names are subscribed to the foregoing instrument, and also known to me to be resident citizens of the State of Texas, and severally acknowledged to me that they executed the same for the purposes and consideration therein expressed, and further acknowledged said instrument to be an amendment to the articles of incorporation of the Velasco Terminal Railway Company, and that they severally signed the same as such as members of the board of directors of said company.

Given under my hand and seal of office this 23d day of June, A. D. 1893.

[SEAL.]

F. W. VAUGHAN,
Notary Public, Brazoria County, Tex.

THE STATE OF TEXAS, *County of Brazoria*:

Before me, F. W. Vaughan, a notary public in and for the county of Brazoria and State of Texas, on this day personally appeared Lewis R. Bryan, the secretary of the Velasco Terminal Railway Company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed for and in behalf of the Velasco Terminal Railway Company, and said Lewis R. Bryan, as such secretary of said company, acknowledged such instrument to be the act and deed of said corporation, the Velasco Terminal Railway Company, and he further acknowledged said instrument to be an amendment to the articles of incorporation of the said Velasco Terminal Railway Company, and that he signed same as secretary of said company.

Given under my hand this 23d day of June, A. D. 1893.

[SEAL.]

F. W. VAUGHAN,
Notary Public, Brazoria County, Tex.

THE STATE OF TEXAS, *County of Brazoria*:

Before me, the undersigned authority, personally appeared Lewis R. Bryan, F. Caldwell, W. M. D. Lee, directors of Velasco Terminal Railway, who, after being by me duly sworn, on oath depose and say, that an amount of the capital stock of the Velasco Terminal Railway Company equal to one thousand dollars (\$1,000) for every mile of railway embraced in and authorized by the charter and amendment thereto or articles of incorporation of said company has been in good faith subscribed, and that (5) five per centum of said amount so subscribed has been actually paid to the directors of said company.

LEWIS R. BRYAN.
F. CALDWELL.
W. M. D. LEE.

Subscribed and sworn to before me this 26th day of June, A. D. 1893.

[SEAL.]

F. W. VAUGHAN,
Notary Public, Brazoria County, Tex.

ATTORNEY-GENERAL'S OFFICE,
Austin, June 24, 1893.

I hereby certify that I have carefully examined the amendment to the articles of incorporation of the Velasco Terminal Railway Company, and find the same to be in accordance with the provisions of chapter 2, title 84, of the revised statutes of Texas as amended by chapter 105 of the general laws of 1891, and not in conflict with the laws of the United States or of this State.

It is not intended by the foregoing approval of the amendment to the charter of this company to authorize it to construct a telegraph line and charge tolls thereon, but said telegraph line is limited strictly to the purposes of the railway company itself.

Nor is said approval intended to dispense with the affidavit required by article 4103 of the Revised Statutes, which ought to be complied with before said articles are filed.

C. A. CULBERSON, *Attorney-General*.

STATE OF TEXAS, *Department of State.*

I, Geo. W. Smith, secretary of state of the State of Texas, do hereby certify that the foregoing amendment to charter of the Velasco Terminal Railway Company was filed for record in this department on June 26th, A. D. 1893, and the same, with endorsements thereon, is now of record on pages 368 to 371, Book D of railroad charters.

Witness my official signature and the seal of State affixed, at the city of Austin, this 27th day of June, A. D. 1893.

[SEAL.]

GEO. W. SMITH, *Secretary of State.*

I, E. D. Dorchester, do hereby certify that I am secretary of the Velasco Terminal Railway Company, and that the above and foregoing copies of the charter of the said Velasco Terminal Railway Company and of amendment to said charter are true and correct copies of said charter and amendment.

E. D. DORCHESTER,
Secretary Velasco Terminal Railway Company.

THE STATE OF TEXAS, *County of Brazoria:*

Before me, the undersigned authority, on this day personally appeared E. D. Dorchester, secretary of the Velasco Terminal Railway Company, personally known to me to be the person whose name is subscribed to the foregoing instrument as secretary of said Velasco Terminal Railway Company, who after being by me duly sworn, on oath deposes and says that the above and foregoing copies of the charter of the Velasco Terminal Railway Company and of amendment thereto are true and correct copies of the said instruments.

E. D. DORCHESTER.

Subscribed and sworn to before me this second day of February, A. D. 1897.

[SEAL.]

THOS. E. DOUTHIT,
Notary Public, Brazoria County, Tex.

APPENDIX M.

LETTER OF MR. A. BOSCHKE, GENERAL MANAGER OF THE TEXAS COAST CANAL COMPANY.

SAN ANTONIO, TEX., *January 1, 1897.*

GENTLEMEN: I have the honor to send you inclosed an address to the members of the Velasco syndicate in which I point out a number of advantages which the harbor will give to commerce and benefits to the public at large. I also point out that if the coast canal between the Sabine Harbor and the Rio Grande is constructed it will make Matagorda Bay a tidal reservoir to maintain the depth of 25 feet at the entrance of the Brazos River by the tidal scour reenforcing the river flow.

I hope you may find in the inclosed address useful information.

Most respectfully, yours,

A. BOSCHKE.

The Hon. Messrs. ROBERT, MOORE, and FORNEY,
United States Commissioners on Velasco Harbor, Velasco, Tex.

ADDRESS OF MR. A. BOSCHKE, GENERAL MANAGER OF THE TEXAS COAST CANAL COMPANY, TO THE BOARD OF DIRECTORS OF THE BRAZOS RIVER CHANNEL AND DOCK COMPANY.

To the President and Board of Directors of the Brazos River Channel and Dock Company, Velasco, Tex.:

The Texas Coast Canal Company, duly incorporated under the laws of the State of Texas, is about to establish inland navigation for stern-wheel steamers to ply between the Rio Grande and Brazos rivers, moving freight by means of barges in tow at very low freight charges. This will result in furnishing an important traffic of which your harbor will be the terminal for shipment, and the city of Velasco will become the distributing point for the supply in the near future for a large and thriving farming population and numerous towns now existing and necessarily increasing in number. The Texas Coast Canal Company proposes to begin this work by constructing a canal from the Brazos River, at or near Quintana, and cut a channel 120 feet wide on the bottom, with proper slopes, and 6 feet deep at low water to Matagorda Bay, intersecting the San Bernard and the Caney rivers at points where they

are navigable, thereby insuring at an early day traffic to your harbor and giving transportation to the productions of the soil and timber at a low rate of freight to a large scope of country already under cultivation, but much impeded for further development by want of transportation facilities.

The work thence will be continued by removing by means of dredging such reefs, bars, and shallow places to give a like depth and width of channel as above stated for the entire distance to the Rio Grande, resulting in like benefits to all the lands bordering on the connecting lagunas and bays and their navigable tributary rivers, amounting to an estimated average of about four and one-half millions of acres.

The magnitude of the results of this enterprise can hardly be overestimated, as it will make it possible to bring under cultivation millions of acres of the most fertile lands, favored by an ideal climate and, to a great extent, having a subirrigated soil, which insures crops independent of the seasons of rainfall, to grow abundant high-priced productions of the farm, orchard, and vineyard, when cheap and rapid transportation is provided for these manifold and abundant crops to the best markets at home or abroad.

The productive value of the coast lands is not generally known, but has been demonstrated by several settlements between the Rio Grande and Brazos rivers, where sea-island cotton, all plants for textile fabrics now successfully grown in Florida, sugar cane, a superior quality of Habana tobacco, all varieties of fruits, the grape, early and late vegetables are growing to perfection, and are all high-priced productions, which, when cheap and quick transportation is afforded to the millions of acres, they will develop new wealth from which you will reap great benefits.

The immense areas of lagunas and bays between the Rio Grande and the Brazos rivers, teeming with food-fish and unequaled anywhere in extent of delicious oyster beds, will become accessible by means of the coast canal by quick and cheap transportation to Velasco, and make it the greatest fish and oyster market in the United States.

The benefits your city and harbor will receive from the development of these new resources of wealth will be in proportion to the fostering care of the enterprise you may give us.

The early realization of the foregoing can only be obtained by a carefully matured plan upon sound business and financial operations; and, as you are a vitally interested party, I ask your cooperation and advice in maturing the same to a successful end.

In a careful review of the entire field of this enterprise there are a number of elements bearing upon its successful accomplishment, which I respectfully present to you for consideration.

The proposition to accomplish inland navigation from the Mississippi to the Rio Grande has been a subject of consideration of many farseeing minds and of our National Government, which had this measure investigated in 1873 by an elaborate survey to determine its practicability and its cost, and its bearing on the commercial development of the country, and its advantage as a strategic measure to move troops and supplies in case of war, without the expensive protection of the Navy upon the Gulf.

This measure of such great national and commercial importance has been delayed for the following reasons:

No special efforts were made by individuals or corporations because the time had not yet arrived in the development of the coast country when urgent necessity demanded action, and the results of the investigation of the National Government, although showing its practicability, it also showed its disproportional expenditure required to a yet undeveloped country and commerce, or of war measures. Since then, up to date, four important factors have evolved, which have overcome the difficulties in the way and demand the immediate undertaking of this work.

First. Progress, by mechanical ingenuity to improve machinery by which the cost of the excavation of material to construct the canal or channels has been reduced to one-twelfth of the estimates of the cost by the United States engineers—that is, from 60 cents to 5 cents per cubic yard, and the tenth length of time required to accomplish the construction.

Second. The coast lands were occupied and cultivated by few people, producing not sufficient traffic to demand a thorough water transportation organization. This condition has undergone a wonderful change. The march of emigration has set southward and the necessity has arisen to provide in advance for the facilities of transportation for the coming population, and in consequence the holders of large estates are now ready and willing to sell their lands in subdivisions who, ten years ago, would have refused to sell.

Third. By the natural law of development, railroads have opened access to the coast, and by foresight of private enterprise and the assistance of our National Government, harbor facilities have been provided to enable the present and coming producer of wealth to send it to the best market at home or abroad.

Fourth. Up until now there has nobody come forward willing and competent to undertake the task to organize such an enterprise and push it to a successful end, which, however, the Texas Coast Canal Company *has, can, and will* do now with your assistance, for these reasons: The three promoters have carefully digested the plan, and met all legal requirements of organization, and hold the capital stock virtually unimpaired, and are ready and willing to transfer its management to those who are vitally interested to see this meritorious enterprise started and will furnish the least amount of money necessary to successfully inaugurate the work and to bring it to a stage where it has a visible and tangible existence and is not a problem *talked* about; when we are confident that ample capital can be secured at home or abroad to bring the work to a successful end by wise and economical administration. As cautious business men we must review all the phases bearing on the enterprise.

First. The practicability, from an engineering point, has been carefully studied by me, and, as above stated, is indorsed after surveys, estimates, and report of the United States Engineer Department. However, the execution of such work is in a great measure depending on its success upon the knowledge, experience of like works, and administrative ability of the person in charge and the application and use of effective machinery. As the work at present has been intrusted to me, as general manager, I am unavoidably compelled to speak of myself.

Fitted by education and serving under such distinguished officers, in the capacity of United States assistant engineer, as General Totten and General Humphreys, both Chief of Engineers of the United States Army; Professor Bache, superintendent of the United States Coast Survey; General Foster, General Alexander, Colonel Mendell, Colonel Stuart, Captain Payson, and Major Heuer, all of the United States Engineer Corps, I have been employed under their orders in the improvement of New York Harbor, Boston Harbor, and numerous smaller harbors on the Atlantic Coast; San Francisco Harbor, Sacramento and San Joaquin rivers, San Pedro and Humboldt Bar Harbor on the Pacific Coast. I gained, in the course of forty years' service, much varied and valuable experience, and I believe that I am especially fitted to conduct the work in hand judiciously and economically, more so for the reason that I had a chance to use all types of dredges and aided in perfecting them. I am now prepared to excavate, with such improved machinery, the proposed canal at the minimum rate of about 400 cubic yards per hour, for twenty-two hours out of twenty-four, or a total output of 8,800 cubic yards per day, which reduces the cost to 5 cents per cubic yard and time required, including usual delays, to 2 miles a month. The material thus excavated from a canal 120 feet wide and 6 feet at low water will be deposited at a safe distance from the edge of the canal. In this instance of the cut between the Brazos and the Matagorda Bay on the Gulf side, which will build up a levee 150 feet base, 30 feet top, and 10 feet high, which, when planted with salt-water cedar, will make a permanent barrier against any encroachment of the Gulf. Similar constructions, adaptable to locality, will be employed to protect the canals or channels along the entire line to insure a permanency of the work and the least expense of maintenance.

Reverting to the importance of this canal between the Brazos and Matagorda Bay, I desire to point out its value to your corporation before going further in the discussion of the enterprise as a whole.

First. This cut as a feeder of traffic to the commerce of your harbor and to build up Velasco to a business city of importance, I have already before mentioned.

Second. It has, however, a far greater value to you. It will serve to connect your harbor works with one of the greatest tidal reservoirs, from the tidal flow of which will be insured the maintenance of a permanent depth on the bar. In order to show to you the correctness of this important statement, I will point out the existing physical conditions operating to that end. At the low water and ordinary stage of the Brazos River when the flood tide of the Gulf enters its mouth, it will have the canal as a reservoir to fill until it meets its equilibrium from Matagorda Bay. At ebb tide the outflow will be largely augmented during the times when the southwest winds drive the waters of Matagorda Bay toward and into the canal, besides being reenforced by the discharge of the waters of the San Bernard and Caney rivers, causing a strong current toward the Brazos, increasing largely the outflow between the jetties, causing an effective scour to maintain a permanent depth which this new regimen will establish. These conditions are further favored by the configuration of the shores at the head of Matagorda Bay, which is funnel shaped and in which the canal is the apex, which in times of the greater part of the year the prevailing southwesterly winds will raise the level of the Matagorda Bay appreciably at the mouth of the canal and add greatly to the discharge of its tide waters by a strong current through the canal, and thence over the bar of your harbor.

Third. The canal between the Brazos and Matagorda Bay will be, in addition to the above, of great value to you, as it will serve as a drainage canal to all the land owned by your corporation adjacent to it and enhance its value many fold, making it fit for farming lands.

Fourth. Before leaving the subject of stating the benefits you will derive from the coast canal, I have a suggestion to make. In case affairs can be so arranged that this work is immediately undertaken, I will build a dredge without delay and can have it completed in ninety or one hundred days, and you can avail yourself of it to deepen your bar to 25 feet and any width you may desire by paying for adding such machinery and appliances that would not be needed for the mere purpose to dig the canal, but when procured would enable the dredge to work at the bar and dig to 20 or 25 feet in depth and deliver the excavated material behind the jetties, which would greatly increase their usefulness. When you see the plans for the dredge you will readily understand the adaptability of it for this work. You would in that case have the further advantage to call the dredge to your aid in a few hours' notice, when working at the canal excavation, if by some unfavorable conditions any part of the bar channel should shoal and not have the required depth, but which could be restored at a small expense and in a short time. When the canal is completed and the dredge further removed the tidal action above mentioned will dispense with its use.

Furthermore, it is a necessary part of your final harbor improvement to make a cut-off of the bend in the Brazos River above Quintana, which the dredge, with the additional appliances of centrifugal pump and pipe line, would be prepared to do at the low price of 8 cents per cubic yard.

Returning to the consideration and discussions of the coast canal, when the connection between Brazos River and Matagorda Bay is made there remains only one small obstruction, "Dog Island Reef," to be cut through, when the whole of Matagorda Bay shores are accessible to steamer landings, of which there are thirty-four places which require none or very little dredging.

Up to this stage there are positive results to be reaped on a large and increasing traffic for your harbor and the city of Velasco, even if we had for a time to stop right there with the enterprise. However, if we achieve that much we will have the assistance of the world's money market to supply the funds to carry this work to completion from the Rio Grande to the Mississippi, as its great value to the development of the country will have been demonstrated.

I desire to point out to you one great chance which the coast canal will afford you which has possibilities that are limitless in its development. When the canal has made its connection with the Rio Grande, we will find by that time the railroad surely completed from Matamoras along the Rio Grande to Tampico, which opens up to the canal the supplies of the cheapest obtainable coal from the Sabine mines of Mexico, besides other valuable products that barges can bring for \$1 per ton from the Rio Grande, where the canal and railroad meet, to Velasco, which can and will make that city a second Lowell or Manchester, according to the energy of its citizens, because it will have all the elements required, viz, raw material at its very door, cheap coal, a harbor to ship the manufactured products to all nations, at Houston a railroad center reaching to all points of consumption on this continent, and to ship by through bills of lading either way productions and supplies at the lowest rates into Mexico and to all the coast towns. For the solution of the financial problem there is only one possible way of procuring the money to carry out this meritorious enterprise—by availing ourselves of the willingness of the landowners to donate some of their land to the Texas Coast Canal Company in aid of the construction of the canal, and by doing so thereby benefit themselves manifold for what they give, because they gain two advantages. One class that wants to sell their land can do so at surely double its present value by reason of the canal making the land accessible to ship its products; the other class of landowners that wish to stay have not only the enhanced value of their land, but reap the annual benefits of sending their products at the cheap water rates to the best market. Therefore the incentive is there from all owners of the coast land, from the Rio Grande to the Brazos, to contribute land donation, and I would have by this time already a sufficient land subscription if I was not handicapped by the peculiar conditions existing in southwest Texas—that so many abortive enterprises have made the citizens cautious to lend their aid before the enterprise takes a visible shape and has a sound financial backing. The people can not be blamed for this, and it is therefore the province of a strong corporation to take this matter in hand, and the above aid of land donations will come freely and liberally with the confidence thereby insured.

A conservative estimate of the land donation is 200,000 acres, which when sold to settlers at an average low estimate of \$15 per acre is \$3,000,000.

The 300,000 shares of the Texas Coast Canal Company will consequently not have to go begging for purchasers.

The estimate of cost of the work is \$800,000, including construction and administrative expenditure, and in fact the contract of the canal being already made with the Texas Dredging Company to do the dredging of the canal for an average price of \$5,500 per mile; the canal company furnishes the dredges and equipments and the

dredging company pays all operating expenses, and keeps the dredges in perfect repair.

By virtue of the rights and privileges under the laws of the State of Texas, the Texas Coast Canal Company can levy toll from all vessels passing either way through all sections of the canal constructed by them at the rate of 1 cent per barrel bulk per mile, which you will readily see will be a revenue which, if demanded, would give an income to make the dividends upon the company's stock one of the largest of this class of investments.

However, the value of the stock will be unquestionably great from the dividends resulting from the sale of the company's lands, when such lands are sold to actual settlers, and from the sure and ever-increasing revenues of toll which a wise management will so regulate to foster the traffic and still give us a large dividend.

In regard to insure the shippers of the lowest freight rates, we have left the transportation to competing steamboat companies.

I will use all my experience and judgment in the first location and construction of the canal that its maintenance will be a minimum, in fact, for years none for nearly the whole of the distance.

In review of the financial situation above discussed, it results in this: If your corporation will take such action to inspire confidence to the landowners *that the work will be done*, then the land donations will be insured and will give the necessary gilt edge to our certificates of stock to make them salable at any money market. I must leave to your superior judgment to act in this matter to the best interest of us all concerned in this great enterprise.

Very respectfully, yours,

A. BOSCHKE,
*Director and General Manager of the Texas Coast Canal Company,
342 Crockett street, San Antonio, Tex.*

The National Bank of Velasco is the financial agent for the sale of stock of the Texas Coast Canal Company.

APPENDIX N.

LETTER OF MR. GUY M BRYAN.

QUINTANA, January 23, 1897.

DEAR SIR: In compliance with your request, I present you with the following statements for your information in regard to the ownership of the frontage on the Brazos River:

The company engaged in obtaining deep water at the mouth of Brazos River own all the frontage below Velasco, on both sides of the river, down to Quintana; the town of Quintana owns 2,331 feet. This frontage of the town has been in litigation with the company, but by recent decree of the district court of Texas has been awarded to the town, and the company consents to the award and will not appeal. Mr. J. P. Bryan, at my instance, has furnished me with the inclosed statement of ownership of frontage on the river above the town of Velasco. I hope this information covers all you desire.

Very truly, yours, etc.,

GUY M. BRYAN.

Col. H. M. ROBERT, *Chairman, etc.*

STATEMENT MADE TO MR. GUY M. BRYAN, SR., BY MR. J. P. BRYAN.

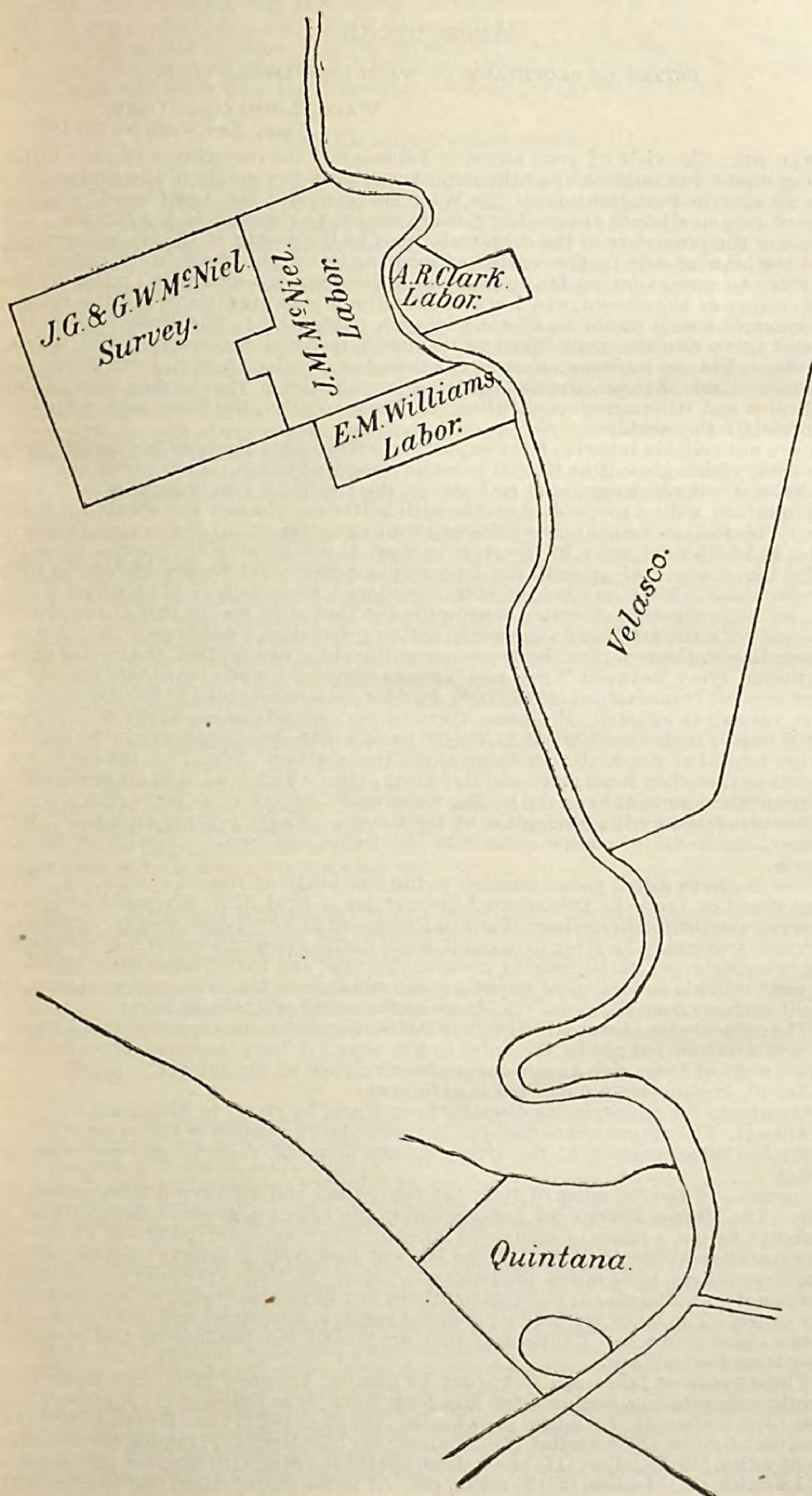
The E. M. Williams labor, 1 mile above Velasco on west side of the Brazos River, owned by Hiram L. Brown; 700 varas frontage.

J. M. McNiel labor, on west side of the Brazos River about 2 miles above Velasco, owned by private parties; 700 varas frontage.

J. G. and G. W. McNiel survey on west side of the Brazos River, a little over 2 miles above Velasco, has several thousand feet front on river, and is owned by private parties.

Above and adjoining the J. G. McNiel, one-half league on west side of the Brazos River there are several miles of river front owned by private parties.

On the east side of the Brazos River, 2 miles above Velasco, the front of the A. R. Clark labor is owned by private parties; 700 varas frontage.



APPENDIX O.

LETTER OF SECRETARY OF WACO COMMERCIAL CLUB.

WACO COMMERCIAL CLUB,
Waco, Tex., January 28, 1897.

DEAR SIR: The visit of your board to Velasco and the importance of your forthcoming report to Congress upon the improvements at the mouth of the Brazos have been brought to the attention of the Waco Commercial Club, and I am directed to forward to you all data obtainable concerning the navigation of the Brazos. The success of the promoters of the deep-water port at the mouth of the river has intensified the interest felt in the matter of securing Government aid in the opening of the river to navigation as far up as Waco, a distance of perhaps 500 miles by the meanderings of the stream, and I beg to submit a few figures relative to the volume of commerce which would be effected by such navigation: The Brazos River traverses twelve counties from Waco to its mouth, namely: McLennan, Falls, Milam, Robertson, Brazos, Burleson, Grimes, Washington, Waller, Austin, Fort Bend, and Brazoria. Each of these counties contains large bodies or rich bottom lands along the Brazos and tributaries constituting the Brazos Valley, the finest cotton producing region in the world.

I have not reliable reports of the exports of cotton from the counties named later than 1894, which place it at 420,000 bales, in round numbers. I am sure a half million bales is not an exaggerated estimate of the amount for an ordinarily good crop year in future, with a probable increase with better and cheaper transportation facilities. The Brazos Valley now produces about one-sixth of all the cotton raised in Texas, and with navigation of the river to Waco it would certainly produce one-fifth of the Texas crop. Along with the long-staple cotton must be considered the item of cotton seed. For every bale of cotton produced there is a yield of a half ton of seed, so the production of cotton seed in the Brazos Valley was in 1894 about 210,000 tons, and with the estimated increase in cotton production would reach 250,000 tons.

According to the report of the Texas agricultural bureau for 1894, the twelve counties named lying between Waco and Velasco produced more than half the entire sugar crop of Texas, valued at \$660,000, besides molasses valued at \$40,000, and sorghum valued at \$50,000. We have, then, cotton, 500,000 bales, worth \$17,500,000; 250,000 tons of cotton seed, worth \$1,750,000; and sugar-cane products worth \$750,000, making a total of \$20,000,000 in these three items alone. When we take into consideration the other farm products, live stock, etc., which would in all probability add as much more to the export traffic, we have \$40,000,000 of exports which would be accommodated by the navigation of the Brazos. The imports are not taken into account, but would of course enter into the traffic and would probably equal the exports.

I now desire to direct your attention to the feasibility of Brazos navigation. The Waco Board of Trade in 1890 secured the services of Prof. J. H. Hurwood, of Waco, to survey the Brazos River from Waco to Richmond in Fort Bend County. Professor Hurwood traversed the river in a small boat, making measurements and collecting data covering every detail bearing upon navigation, and his report is the completest and most reliable collection of important information on the subject now extant. I submit extracts from the same. Addressing the board of trade he says:

"The subjects for observation in your instructions were ten in number. I report on them seriatim, but not in the order in the copy. I have inverted them because by this method I can give a more comprehensive view of the subject.

"No. 10. Instruction number ten is as follows:

"Ascertain the approximate distance from Waco, by river, to Richmond."

"Answer. The approximate distance between the two points is 416 miles.

"No. 6. 'What portion of the river consists of pools, their length and average depth.'

"Answer. Of the 416 miles of river between Waco and Richmond 389.1 miles are pools. The Brazos River does not descend to the sea in a gradual slope. It is, as far as San Felipe, a series of elongated lakes or canals or pools, rising one above the other from San Felipe to Waco. These lakes or pools vary in length from one-fourth mile, the smallest, to 84 miles, the longest. Below San Felipe the lake system of the river is not so well defined, but sufficiently so as to class as pools, being uniformly deep water. The lakes are fed by perennial springs, terrestrial and subaqueous, as far as a point above San Felipe, and they are wholly independent of the supply of water from above Waco.

"These pools or lakes are forty-four in number between Waco and Richmond. Their length, seriatim, beginning at first from Waco, is as follows: (1) $5\frac{1}{4}$ miles, (2) $3\frac{1}{2}$ miles, (3) 6.4 miles, (4) 4.6 miles, (5) 6.4 miles, (6) $3\frac{1}{2}$ miles, (7) one-fourth mile, (8) $5\frac{1}{4}$ miles, (9) 9.6 miles, (10) 4.4 miles, (11) $3\frac{1}{2}$ miles, (12) 1.8 miles, (13) 14 miles, (14) 12 miles, (15) $8\frac{3}{4}$ miles, (16) $5\frac{1}{4}$ miles, (17) one-half mile, (18) $2\frac{1}{2}$ miles, (19) $1\frac{3}{4}$ miles, (20) 4 miles, (21) 1.8 miles, (22) $5\frac{1}{4}$ miles, (23) $3\frac{1}{2}$ miles, (24) 1.7 miles, (25) $3\frac{1}{2}$ miles, (26) $1\frac{3}{4}$ miles, (27)

1 $\frac{1}{4}$ miles, (28) 2.3 miles, (29) 21.87 miles, (30) 4.65 miles, (31) 20 miles, (32) 5 miles, (33) 7.9 miles, (34) 14.6 miles, (35) 84 miles, (36) 7 miles, (37) 5 $\frac{1}{4}$ miles, (38) 21 miles, (39) 11.6 miles, (40) 3 $\frac{1}{2}$ miles, (41) 26 $\frac{1}{4}$ miles, (42) 2 miles, (43) one-fourth mile, (44) 24 $\frac{1}{2}$ miles, (45) 5 miles (unfinished beyond Richmond). These make 389.10 miles of pools, with 8.90 miles from the first clearly defined pool or mixed water.

"THE DEPTH OF THESE POOLS.

"Nearly all of these lakes have a well-defined and uniform channel through their entire length. The depth of these channels was thoroughly measured, each separately, the depths of which I have arranged. The average depth was 4 to 10 feet at time of measurement, with occasional 2 to 3 feet water over loose sand for a few yards at each end of the pool. Many pools are 20 to 40 feet in deepest places.

"4. What portion of the stream is shoal and would require jetties to narrow, control, or make a channel?"

"As there are 44 lakes of deep water, there are 44 places which obstruct navigation. These are the steps over which these lakes discharge their surplus water into the lakes below. Of these 44 steps 36 are shoals. These shoals vary in length from 25 feet, the shortest, to 2 miles, the longest. Each would require from one to three jetties to narrow the river and form a channel.

"5. The length of the rapids, the force of the current over them, and whether the boats could stem such a current?"

"Answer. The rapids are eight in number, of which seven occur between points on the river opposite Marlin and Hearne; the last is situated about 7 miles above Washington.

"The length of these rapids is respectively as follows, beginning from Waco end: Falls on the Brazos, 1 $\frac{1}{4}$ miles; Rock Rapids, 600 feet; Blue Shoal Rapids, 1 $\frac{1}{2}$ miles; Curley Rapids, 3,000 feet; Calvert Falls or Blacks Crossing, one-third mile; Hern-don Falls, 4,400 feet; Port Sullivan Rapids, one-half mile, and Hidalgo Falls, 900 feet.

"The current over these rapids is so affected by various causes, such as friction, obstructions, etc., that it is various, even in the same rapid. Estimated from the declivity and the length of each, the current in none of them would be less than 6 to 8 miles per hour if run in an unobstructed channel.

"Boats could not stem the current of the rapids except by the use of capstan and hawser. To that method the current over the rapids would be no obstacle.

"No. 1. 'What obstructions to navigation, such as bridges, snags, fallen timber, falls, and rapids, exist in that part of said stream?'

"Bridges are 12 in number. Snags occur very rarely in the upper part of the river; in lower part more frequently. Between Washington and Richmond are 35 groups of snags, with occasional isolated single snags; in the upper part of the river, two-thirds of the entire length, about as many. Fallen timber offers no obstructions; fall and rapids are embraced in a previous answer.

* * * * *

"No. 8. 'What would be about the expense of removing existing obstructions and jettying the shoal portions of the stream?'

"From careful observations made, I estimate the expense as follows:

For removing snags and rocks in channels over the shoals.....	\$100,000
For jetties over shoals and rapids, 80 jetties, at \$1,000.....	80,000
For excavating channels in 8 rapids, \$50,000 each.....	400,000
Total	580,000

* * * * *

"No. 2. 'The average depth of water in the stream at the several seasons of the year, as near as can be ascertained by inquiring?'"

"The water in the lake channels, which form almost the entire length of the river, is almost absolutely without variation below the measurements we found on the trip. The testimony to this from intelligent persons was unvarying. The flowing water of the river varies from a few inches over the shoals in the drought of summer to 25 feet in the spring floods. From the meager but best information attainable, the water should be from 3 to 25 feet over the shoals from October to July, which would make the river navigable for light-draft boats for nine months in the year from Waco to the mouth, except for the eight rapids, which could be crossed in not less than a 10-foot rise. This subject can be determined only by protracted observations.

"The above general replies are based on elaborate measurements and calculations.

"I may, perhaps, be allowed to close this report by a few suggestions purely gratuitous. The Brazos in respect to its long and deep-lake system is a remarkable river. It has 44 lakes, the channels of which constitute natural canals. The shoals and rapids, also 44 in number, fitted with locks and dams, should make slack-water navigation from Richmond to Waco possible every month in the year except in high water. The lakes and steps enumerated do not include the water from Waco for 9

miles down the river, but that piece of water is included in estimate for improvements. The study of the river was made at an excellent time, the river being nearly at its lowest. As a summary, the Brazos during our measurement contained, from Waco to Richmond, in round numbers, 398 miles of water practicable for light-draft boating and 16 miles of shoals and rapids."

The report, in addition to the above, gives a detailed report of the measurements of each reach and step, made with the care, if not the authority, of a Government official. Professor Hurwood's estimate of cost may be too low, but his measurements have stood the test of expert examination.

The data is submitted with the hope that in making your report upon the improvements at the mouth of the Brazos you will make favorable mention of the Brazos navigation as far as Waco.

S. L. JONES,
Secretary Waco Commercial Club.

Col. HENRY M. ROBERT,
*Chairman Board of Engineers
for the Examination of the Mouth of the Brazos.*

APPENDIX P.

RECEIVERSHIPS BRAZOS RIVER CHANNEL AND DOCK COMPANY.

George W. Angle and Frank Caldwell, September 5, 1890, to March 27, 1891.

George W. Angle and Gustav Wilke, March 28, 1891, to February 2, 1892.

George W. Angle, February 2, 1892, to March 25, 1896.

APPENDIX Q.

STENOGRAPHER'S REPORT OF A HEARING AT THE HOTEL VELASCO, VELASCO, TEX., JANUARY 11, 1897, BY THE BRAZOS RIVER BOARD.

Present: Col. H. M. Robert, Corps of Engineers; Mr. Stehman Forney, assistant Coast and Geodetic Survey; Mr. Robert Moore, civil engineer; Mr. Jay Stone, secretary and stenographer; Mr. L. L. Foster, manager Brazos River Channel and Dock Company; Col. Guy M. Bryan, of Quintana, Tex.; Mr. L. R. Bryan, banker and lawyer, of Velasco, Tex.; Mr. J. P. Bryan, of Quintana, Tex.; Col. Mordella Munson, of Oystercreek, Tex.; Mr. H. K. Davis, of Hearne, Tex.; Mr. J. L. Hudgins, of Velasco, Tex.; Mr. H. L. Brown; Capt. A. H. Ahm, captain of the light-house station at Velasco, Tex.; Mr. J. M. Moore, of Velasco, Tex.

Colonel ROBERT. This hearing is given by the Brazos River Board (which was appointed under the provisions of the act of Congress of June 3, 1896), at the personal request of citizens of this locality and other parts of Texas, and we would be very glad to listen to anything bearing upon the subject under investigation or matters having relation to it that any gentleman present desires to express.

Col. GUY M. BRYAN. Gentlemen: It will perhaps be interesting to you to know something of what has been thought in the past of the improvement of the mouth of the Brazos River. In the beginning J. F. Austin, the founder of Texas, thought that deep water could be obtained there, and directed the town of Quintana to be laid off there, in 1835, in view of these contemplated improvements. During the Republic of Texas some of the prominent men of Texas—the Whartons, Branch T. Archer, T. J. Green, and others—formed a company and laid off Old Velasco for the purpose of availing themselves of the advantages of the mouth when improved as contemplated.

In 1851-52, Senator Thomas J. Rusk, ex-Secretary of the Treasury, Robert J. Walker, and ex-Senator T. Butler King, of Georgia, came to Austin when the legislature was in session, to obtain a charter for a southern Pacific railroad through Texas. T. Butler King came to the mouth of the Brazos and, with the aid of the pilot of the place, thoroughly examined the bay and river and returned to Austin satisfied of the natural advantages, and with improvements, that deep water could be obtained, and that it was the point on the Gulf to make a terminal of the road. Years afterwards I met Mr. King in New York and he told me that eventually one of the largest cities of the United States would be built at the mouth of the Brazos; that it was the only river of its magnitude in the United States that emptied directly into the

Gulf with one mouth; that all the other rivers of its size emptied into bays or by several mouths.

Several of the wealthy stockholders of the International Railroad, viz, W. E. Dodge, Walter Phelps, Galusha A. Grow, Moses Taylor, and others, formed a company to improve the mouth, and in 1872 these gentlemen came from Houston to Columbia, where a steamboat was waiting for them. They came to the mouth and spent some time in examining it, and decided that in three months they would commence building jetties, and that they would make it the Gulf terminus of their road. But shortly afterwards a financial crisis spread over the country, and some difficulties arising with the settlement of railroad claims and differences arising among the directors of the international road induced them to abandon their project, but in the meantime they had bought thousands of acres of land on and near to the Brazos. I was one of the directors of this company, and was with them on their trip from Houston to the mouth, and know from conversation with them that they were entirely satisfied that deep water could be obtained at the mouth. It is a matter of great public interest that this country should be developed. If you go back into the interior a few miles you will find the richest country in the world. The valley of the Nile does not surpass it. It stretches from Oyster Creek across to the Colorado. The valley of the Brazos is exceedingly fertile and rich, and as you go into the interior it is well populated, has extensive towns and farms, and all their produce will come here.

All that country up there is interested in the development of the mouth of the Brazos. It is the nearest point for the Pacific Coast and for that immense territory which lies intermediate. The Northwestern States are now exceedingly interested in getting their grain off from the Gulf ports. The grain market has increased wonderfully at Galveston, and they have not the capacity to handle it. There is no hostile feeling toward Galveston, but Galveston is not adequate to handle the commerce. This country is settling up and the production will constantly increase, and we must have a vent for it by way of the Gulf. I need not say to you, gentlemen, that water transportation is so much cheaper than rail, and we have now to depend almost entirely on rail. All the products which now go by rail will go by water, because everybody wants to go where transportation is cheapest, and that is what will happen here if the Brazos is improved. I see that Waco has already had a meeting of its chamber of commerce and that it has appointed a committee to meet you. All the people in this surrounding country are largely interested in this matter.

I have been reared in this country, have lived here many years, and know thoroughly the peculiarities of the country. I have traversed it in childhood and in manhood over and over again, and everyone who is familiar with it will agree with me in what I have said as to its fertility. I would state in addition that one reason why all the people I have talked to and who are interested in the matter desire the Government to take charge of the improvement is that private companies are liable to financial vicissitudes, as has been evidenced in the case of the present company. There is not that reliance on private enterprise as in the efforts of the United States Government. Private companies may come and go, but the United States go on forever, and if it is a worthy enterprise the Government completes the work. That is the reason why confidence will be insured if the Government takes charge of the work.

Mr. CORTHELL. I think that you are familiar with the circumstances attending the surveys made by Captain Howell.

Mr. BRYAN. The Secretary of War, in answer to a request of this company, that was interested in the development of the mouth of the Brazos, so as to make it a terminus for the international route, gave an order to Mr. Howell, who was the engineer of the Louisiana and Texas coast, to make a survey at the mouth of the Brazos and state the practicability of improving it. He was directed to give details. When he came down with those gentlemen from Houston to examine the mouth of the Brazos, Mr. Grow, who was with them, presented to the gentlemen who were on board of the train the report of Mr. Howell, which contained a map of the mouth of the river. He stated that he had had experienced men to make the survey, and they reported strongly in favor of the survey, reporting, also, that it could be done at comparatively little expense, provided that the information he had obtained as to the procurement of material was correct. This report was spread out and we all looked at the map, and it was a subject of great interest to us, because it was made at the instance of the Secretary of War and Mr. Howell was the Government officer who was charged with making important surveys.

Colonel ROBERT. Do you recollect the depth of water that was obtained?

Mr. BRYAN. No, sir; I do not recollect what that specified. Mr. Howell reported that they could get good water, but I do not recollect whether he stated how much; but he stated that by building jetties it could be accomplished sufficient for all commercial purposes. His headquarters was in New Orleans.

Colonel MUNSON. There is very little I can say in addition to what my friend, Mr. Bryan, has said in reference to the action of these gentlemen who were charged with the work in making the surveys, except that I am perfectly satisfied that the Brazos is the great river of Texas. I am satisfied that practical work can be done, and that commerce can be brought to the mouth of the Brazos from the interior. I have personally examined it, not as an engineer, but for my own information. The falls of the Brazos is the great obstruction, to begin with. I can not understand or explain why this phenomena presents itself, but I have twice gone over the ground to learn about those falls. I have examined the river up to Waco, for my own satisfaction. I do not understand what peculiarity brings about this change at the falls, but to me it is a great curiosity. Just at the edge of the prairie at the falls there appears to have been at some time a great convulsion. Great rocks are piled up there to the westward. Sitting on my horse at the bottom of the falls and looking up, the incline was in that direction [pointing], and toward the east there is a deep and dry valley from the edge of the prairie for 5 or 6 miles that was the bed at some time of a deep river. The public road runs out at the edge of it.

In the bed of that river I saw immense trees growing, and riding along that margin you are just on the edge of the tops of those trees. Along the edge of that prairie I am satisfied that an active man with a spade could have turned the water from its present bed of the Brazos River into this old channel. It was but a step or two from the old channel to where it terminated there. There is the finest location there for manufacturing places that I ever saw. The old bed is wide and deep, but I have no idea what the convulsion could be that brought about this great change. You get to the foot of it, and sitting on your horse looking up you see great bowlders piled one upon another. Very little work will turn the river back into its old bed. For manufacturing purposes or anything of that kind, it is the finest water power in the world. This was the only obstruction that we saw. After you have reached the foot of the falls you will find that it is not low water. I can scarcely find anything to express adequately to your mind the condition of things. The bed of the river seems to be a succession of bowlders. Sometimes there would be 8 or 10 feet of water, and at others the water would just cover the rocks. I think that a man understanding anything about dynamite could blast out the whole of it in a short while. I have no doubt that with a little money it would be the great water course of the United States. You could improve to Waco easily, and the only obstruction is the falls, and that could be removed, I believe, with a little skill and money. It is the river of Texas. There is no mistake about it. I speak of my own motion and from my own observation. The examination was made to satisfy myself, but not as an engineer.

Colonel ROBERT. Do you know how far those falls are up the river?

Colonel MUNSON. I don't know, sir; it was a very dry season when I came down.

Colonel ROBERT. Have you any idea how far to the falls it is from the mouth of the river?

Colonel MUNSON. I can not tell the distance.

Colonel ROBERT. Can you give any idea about where they are located?

Colonel MUNSON. Just below the little town of Marlin.

Mr. BRYAN. Colonel Munson's remarks about the river remind me of a circumstance. After the passage of the Santa Fe indemnifying act, when the United States gave Texas \$10,000,000 for our claim to Santa Fe east of the Rio Grande, the Texas legislature appropriated some of the money for improving the rivers, the Brazos among others. The county judge of Fort Bend County, Judge Cook, and myself made an effort to get an appropriation from the legislature for the Brazos River. We had a couple of men and took a skiff from Richmond, which is on the river in the county just above this. We sounded the river at every bar from Richmond down to tide water. It was, as Colonel Munson says, a succession of falls, and then it would be a bar. It was very deep at times and then there would be obstructions caused by driftwood. There were snags in the river, and the débris floating down the river would catch around them and make a bar.

Mr. CORTHELL. I would like to ask Colonel Munson or Mr. Bryan to give a history of the navigation of the Brazos River up to the falls, or any incident that they are familiar with connected with that matter.

Mr. BRYAN. There were two boats that ran regularly up the Brazos as far as Washington called the *Brazos* and the *Washington*. That was in 1848, 1849, and 1851. One year they made trips regularly to Washington.

Mr. MOORE. Is Washington below the falls?

Mr. BRYAN. Yes, sir; it was the seat of government when I came to Texas. It is about 250 miles from the mouth of the river.

Mr. CORTHELL. Are you familiar with the fact that captains and masters of vessels used the mouth of the Brazos and the Gulf there as a harbor of refuge and anchorage grounds?

Mr. BRYAN. In the days of the Texan republic a French fleet came up there and

anchored at the mouth of the river and communicated with the governor of the city. The commander said that it was the best anchorage that he found in the Gulf of Mexico. That is authentic, as it is an incident which I recollect. It is historical.

Mr. MOORE. What year was that?

Mr. BRYAN. I don't recollect; but it was in the days of the republic.

Colonel MUNSON. France had a little fleet on this coast when I was a small boy. My parents had a summer home at the mouth of the Brazos. The Frenchmen would very often come ashore. The commander, as I remember him, was a very convivial, cordial gentleman, and he was very kind to the early settlers here. I was present on one occasion and heard him remark to a number of gentlemen that the Gulf near here was the best holding ground off the coast of Texas, and that it was the best he ever saw. He made the remark that he rode in a hurricane there; that a ship would part its cable, but that it would never drag its anchor. The solution was that the bottom was of soft mud and holds the anchor.

Mr. FOSTER. I have heard it said that a great many coaster vessels were lost on the coast of Texas prior to the opening of this bar, and that since then it has been a harbor of refuge for all vessels that ply along the coast.

Mr. BRYAN. When Colonel Giddings was in Congress there was a petition sent to Congress to clean out the Brazos on account of its being a harbor of refuge for coasting vessels. When they leave Galveston going westward, and coming eastward from the west of this place, there is no safe place for them to enter. Pass Cavallo, the entrance into Matagorda Bay, is unsafe to enter, and it is the same with Aransas. I live at Quintana, at the mouth of the Brazos, and a great many of these coasters come in there when the weather is threatening, for the purpose of refuge. They come in and stay until the weather changes, and then go out. Particularly is this the case of vessels going westward from Galveston. As a place of refuge alone it is a very important matter, and if there is deep water all the naval and other vessels can come in there. You can see for yourself what the mouth of the river is. You can see that it is landlocked and would be a perfectly safe harbor. In fact, if we can get deep water, it is the safest harbor on the Texas coast. I met a friend in Houston whom I knew before the war. He was a banker in New York. He made a great deal of money here, and has made a great deal more since in New York. His name is Swinson. He asked me what we were doing at the mouth of the Brazos, and when I told him, he said that that was the place for a large town. He told me that he crosses the Atlantic frequently, and has become intimately acquainted with a captain of one of the ships. In conversation he spoke of the Brazos' mouth, and found that the captain knew more of it than he did. The captain said that it was the best port on the Gulf.

Mr. J. L. HUDGINS. I don't know that I could say anything to advantage, but I have been here a long time and have watched the progress at the mouth of the river for the last fifty years. We always did a great deal of shipping until after the Brazos Canal was cut, and after that the water shoaled up on the Brazos Bar. I came in on 11 feet of water once. It stayed so until the war. During the war these passes were blocked, but the blockade runners came here within twelve days of that time. I went down there myself and helped to block the river with live-oak timber.

A VOICE. Did the putting in of this live oak have any effect on the bar?

Mr. HUDGINS. I think myself that this timber should be removed from there. It was put in to stop the Federals at the time of the war. The principal point where it was put in is 2 miles above here. We whipped the Yankees with it, anyhow. I have always known that whenever they wanted to improve this place all they would have to do was to put jetties out and they could have deep water. The Brazos River needs cleaning out from here to Columbia. There are some bad spots there, and it is caused by driftwood getting into the bottom. I can not say anything of the river in the way of science, but speak only from my own experience. I have no education and deal only with common sense. The canal here was dug to get the sugar out of this country.

Colonel ROBERT. When was that canal made?

Mr. HUDGINS. That canal was commenced in 1851 and finished in 1855.

Colonel ROBERT. How much water did they have there?

Mr. HUDGINS. We left 4 feet. During the war there were no boats running and there was no navigation for about five years. The trouble is, you can not get the banks to hold; they cave in and the result is the river fills up with mud.

Mr. CORTHELL. Were those live oaks that were put in there brought up to the surface of the river?

Mr. HUDGINS. They were sunk as fast as we put them in.

Mr. CORTHELL. Did you bring any troops up there?

Mr. HUDGINS. No, sir.

Colonel MUNSON. My brother had charge of the party that made the dam there and he has told me repeatedly that for about 60 feet he could not fill in the river, because the current was so strong. Above that the water was in such shape that

vessels could pass. He said that there was a space there where the current was so strong that the logs would be washed away and brought up to the surface. The current is very strong and concentrated at that point.

Colonel ROBERT. Were those logs driven in as piles?

Mr. HUDGINS. No, sir; they just rolled them in, and they were so heavy that they sunk.

A VOICE. I was there at the time the dam was built, and the current left an opening of 30 to 50 feet.

Colonel ROBERT. Is there any gentleman present here who has any views that he would like to present to the Board bearing on the subject of the improvement at the mouth of the Brazos River? If so, we would be glad to hear him.

Mr. BROWN. I live up in the interior of the State, in the cotton belt. What we want is cheap shipping for our cotton. I was told by Colonel Giddings that if this improvement was a success we would be able to have our cotton taken for \$1.25 a bale cheaper than by shipping it to Galveston. Our business is to raise cotton and cotton-seed products. We only raise enough breadstuffs for our living. We want some return for our crops if we can get it. I have been here at times, and have talked with captains of vessels, and they told me that they could go to sea from here at from \$600 to \$800 less a cargo than from New Orleans. The charges were so much less. It would be a great benefit to the agricultural interests of the State if we had an outlet for our products independent of Galveston. The wharf company there is a great monopoly. I live near Washington, in the cotton belt, between the Brazos and the Colorado.

Colonel ROBERT. Do you expect to get your cotton away from here by railroad?

Mr. BROWN. Yes, sir; there are plenty of railroads pointing this way. All they want to know is that this improvement is going to be made a success. There will be no question as to getting roads.

Mr. FOSTER. A question has been raised here with reference to the ownership of the water frontage, and Colonel Robert wanted some light on the subject as to whether or not the same condition which is now found at Galveston would be found in any case of the improvement. You know the fact that under the recent compromise, the town of Quintana owns part of the frontage.

Mr. BRYAN (L. R.). I think the syndicate claims all the frontage elsewhere, but by decree recently given by the court, which is now in session at the county seat, the people of Quintana own the frontage there.

Mr. ROBERT MOORE. How long a frontage is that?

Mr. BRYAN (L. R.). I suppose it is as far as from our town to the river there [pointing], about 1,000 feet on the east side. Then there is another front there which is about 2,000 feet long. Just above that there is another tract of about 4,000 or 5,000 feet that is not owned by the syndicate. Above the mouth of the bayou there is about 6,000 feet not owned by the syndicate.

Colonel ROBERT. Mr. Moore, you are treasurer of the Brazos River Channel and Dock Company, I believe?

Mr. J. M. MOORE. Yes, sir.

Colonel ROBERT. Is this syndicate that owns the land here the same that owns this water frontage?

Mr. MOORE. It is virtually the same company. The Brazos River Channel and Dock Company owns the front. In point of fact, the Brazos River Channel and Dock Company, the Texas Land and Immigration Company, and the Velasco Terminal Railway Company are, as I understand it, of one interest.

Colonel ROBERT. I wanted to know whether these interests are all identical, and whether the company which wants to sell these improvements are also the landed interest.

Mr. J. M. MOORE. I presume that it is.

Mr. BRYAN (J. P.). I know that the surveys are made separate. The Brazos River Channel and Dock Company only runs back 300 feet, but back of that is the Texas Land and Immigration Company. I own some of the land around here and I know that the frontage on the river is separate and distinct from the back land.

Mr. J. M. MOORE. They are different companies, but in point of fact, they are the same interest.

Mr. BROWN. They claim this frontage under an act of Congress, which is to be a matter of litigation.

Mr. BRYAN (J. P.). I think you are mistaken. This land is claimed under an act of the legislature for the benefit of Aransas Pass, and under its charter they claim the right to condemn where it is arable 150 feet and where it is not arable 300 feet, and in consequence of that they have laid off 300 feet separate from the other.

Mr. BRYAN (L. R.). I am not interested in the company, but I am a citizen of Velasco and president of the bank in which Mr. Moore is the cashier. All these interests are practically one. As I understand it, all that the Brazos River Channel

and Dock Company own was procured by them by purchase before they commenced this work. They claim the right to condemn, but they have never undertaken to condemn anything, whether they have the right or not. They have some of the frontage, but there are other frontages there that are owned by private parties. I own some of it myself. There is nothing here whereby they can exercise a monopoly. I think that this being a cotton port it is necessary to bring about competition and that this company can afford to give wharfage and other facilities and they can all afford to make concessions. It is to our interest to build up this community. The company owns large landed interests here and it is to their interests to afford facilities in order to develop the harbor. The opening up of the Brazos River to the commerce of the country is the important point to be considered. I got up a pamphlet which was addressed to the people of the Brazos Valley and the Velasco Board of Trade which goes into the history of this thing and contains an estimate of the cost of improving the river by Mr. G. Y. Wisner, civil engineer of Detroit, Mich., and also several reports on the river by professional men. It also contains a report of a survey made by Mr. R. B. Talfor, the United States assistant engineer of Galveston, in 1875.

These reports were made at my instance, and embrace an estimate of the cost of opening the channel from Waco to the mouth of the river for 4 feet of water. Recognizing the fact that in a new State like ours people had an erroneous idea of the cost of improving the Brazos River, I addressed a letter to Mr. Wisner with a report upon the subject by Professor Harwood, of the Waco Board of Trade, and I also made a copy of the survey which was made under the direction of one of your Board of Engineers in 1884 or 1885, and requested Mr. Wisner to state in a practical way what would be the cost of opening up the channel from Waco to the mouth for 4 feet of water. He replied that there was such a wide discrepancy between the two reports that it was hard to arrive at a just estimate. He said that if Captain Talfor's survey was correct it would cost \$2,500,000, and that if Professor Harwood's survey was correct, it would cost \$2,000,000. The people thought that it would cost from ten to fifty millions to make the Brazos navigable to Waco. The impression is that there is from 400 to 500 miles of river to improve. You will find in that pamphlet, of which I spoke, that there was over 300,000 bales of cotton raised in the counties fronting on the Brazos River in 1891.

If you will take the map of Texas it will be seen by anyone familiar with the general physical characteristics of the State that the State is divided into three belts. The eastern belt is the timber belt, the central the agricultural belt, and the western part the grazing belt. The Brazos River runs through the center of the agricultural belt, and it runs through the black-land counties of Texas, which are famous for the production of cotton and sugar. The crops of cotton are enormous, and the sugar crops are so great that that particular section is known as the "sugar bowl" of the United States. Mr. Foster, I believe, has the statistics which will give you an idea of the fertility of this valley; and this section will be enormously increased in value if we can get 4 feet of water from Waco to the mouth of the river. If we can have at least that depth the river will be navigable to vessels that will carry at least 500 bales of cotton each. I have seen vessels loaded with 800 or 1,000 bales of cotton that only draw $2\frac{1}{2}$ feet of water. They used to take rafts on the Ohio River and come down the Mississippi River with them to New Orleans, and I do not see why we can not do the same thing.

MR. FOSTER. Is not the ownership of this land pretty well disseminated?

MR. BRYAN (L. R.). The land is pretty well distributed around here and is owned by various parties in the State. These gentlemen here will have no monopoly of the general benefits which will accrue, and they do not own all the stocks and bonds of the company. The benefit will come, as has been stated by Colonel Bryan, when the question of the improvement is taken out of the hands of the private corporation and placed under the control of the Government, so that all the different interests will share in the development. There are many gentlemen present here to-day who live at a distance but who are much interested in this matter. They have no interest in this company here. It has just been said to me by a gentleman of the State, that in four counties, Brazoria, Fort Bend, Matagorda, and Marion, we have what is called the "sugar bowl" of Texas, producing enormous crops of sugar, besides cotton and other products. Before the war they contained the great bulk of the wealth of the State. Since then they have not had the facilities for commerce, nor proper rail nor water transportation, and we had no increase in population here until this enterprise was opened up. We believe that with the opening of this port that this part will be what it was once before, the garden spot and the richest part of the State.

Colonel ROBERT. You spoke of the falls in the Brazos River. Does anyone know their height?

MR. BRYAN (L. R.). You will find about that in the pamphlet of which I spoke.

Colonel ROBERT. Are they 30 or 40 feet?

Mr. MUNSON. No, sir; just a few feet.

Colonel ROBERT. What is your idea of the difference of level of those falls? Is it a question of 20 or 30 or 60 or 80 feet? Can you give us some idea?

Mr. MUNSON. I could not with any certainty, but I am satisfied that there is not a very great difference of level.

Mr. DAVIS. Speaking of boats navigating the river, I have lived at Hearne fifteen years. I understand that boats used to navigate 5 or 6 miles above there. Speaking in regard to railroads coming in here, there is an uncertainty with regard to private parties having control of the improvements, and as to their being able to maintain them, and we feel that the only way to have a substantial enterprise is by the Government taking charge. Several railroads have already been projected, and the competitive point for all of them is the mouth of the Brazos River. All the cotton resources up our way look to this point here as the outlet for their products. One of these roads is the Fort Davis, Hearne and Brazos Railroad; another is the San Antonio and Gulf Shore Railroad. The Rock Island Railroad will compete for the business of the Brazos Valley. This is the great cotton country. All the new railroads which originate in this county have this place for their objective point. I have been up to Waco and the people there think that it is feasible to make the river navigable from Waco to the mouth.

Mr. FOSTER. As you are familiar with the railroad rates, I would ask what would be your opinion on this subject of rates throughout the entire State of Texas should the Brazos be opened to navigation?

Mr. DAVIS. I should think it would at least lessen the rates to the extent that has been stated here. If it would a dollar and a quarter on a bale of cotton, it would lessen the cost of marketing it to an enormous figure in favor of the producer.

Mr. FOSTER. Would not the opening of the Brazos have a modifying effect on all rates within 100 miles on either side of the river?

Mr. DAVIS. Yes, sir.

Mr. FOSTER. Would that benefit be confined to the Brazos River?

Mr. DAVIS. No, sir; it would affect other parts of the State.

Colonel ROBERT. Are there any other gentlemen here from this vicinity or elsewhere on the river valley that would like to say something? If so, we will be glad to hear them.

Mr. DAVIS. Everybody up our way is interested in Velasco. They think that this port will be eventually opened, but they have waited so long that they got the "blues." But they think that if the Government will take hold of it, it will certainly be a success.

Mr. BRYAN. Several of the leading roads of the State sent their representative man here to examine the mouth of the Brazos. They are desirous of coming here, but just as Captain Davis says, there was a want of confidence in the private corporation. The "International," the "Katy," and another route sent their representatives here to examine into the practicability of getting deep water. The company would do it, but they were not satisfied with having the improvements under private ownership. My belief is that if the Government would take hold all the great roads of the State would make terminals here.

Mr. DAVIS. They are pointing this way, but they are watching to see if the development will be made before they go to the enormous expense involved. The reducing of transportation rates would make an enormous addition to the wealth of our producers. There were over 3,000,000 bales of cotton raised last year and the difference in rates would make a saving of something like \$7,000,000.

Mr. FOSTER. Do you refer to the whole crop of Texas?

Mr. DAVIS. I mean between the radius of 100 miles of the river—central Texas, through which the Brazos runs, and which is the cotton belt.

Mr. FOSTER. You maintain that this reduction in rates on cotton that comes by way of Velasco would affect the whole cotton crop of the State, including that which goes by the way of Galveston as well?

Mr. DAVIS. Yes, sir; because it would be competitive against Galveston. I don't think it would all come this way, but the competition would affect the rates elsewhere.

Mr. BRYAN (L. R.). Captain Ahm, of the life-saving station, says that prior to the improvements at the mouth of the Brazos River the wrecks were two or three in a month, and since then there have been only two or three a year.

Captain AHM. I am captain of the life-saving station here. Prior to the building of the jetties here wrecks were very frequent. Since then they have been reduced, so that where we formerly had four or five we have one now, perhaps even less. Before the improvement the harbor was a hard one, but now it is quite different. Unless there is mismanagement a vessel can now come safely into the river.

Colonel ROBERT. How many wrecks do you think there would be in a year?

Captain AHM. About a dozen a year. During the years 1888 and 1889 there were more than a dozen.

Mr. ROBERT MOORE. In the case of these wrecks, what caused their failure to enter the harbor?

Captain AHM. Before this work had been started the channel would change, and there would always be uncertainty of water over the bar.

Colonel ROBERT. These wrecks are not from passing vessels?

Captain AHM. They were from vessels taking refuge here or vessels coming in here.

The hearing was then adjourned.

APPENDIX R.

LETTER OF PRESIDENT OF BRAZOS RIVER CHANNEL AND DOCK COMPANY.

WASHINGTON, D. C., *February 15, 1897.*

SIR: By direction of the executive committee of the Brazos River Channel and Dock Company I make the following additional statement to the Board concerning the ownership by this company of property upon the banks of the Brazos River.

If our right to charge tolls as provided by the act of Congress should be taken from us by the United States exercising its option of taking over our jetties and auxiliary works, we should be unable to establish a monopoly at the mouth of the Brazos River similar to that existing at Galveston even were we inclined so to do.

First. Because our charter is obtained from the State of Texas whose laws provide that "all rate, tolls, or charges made by any corporation formed under this act (the act to establish channel and dock companies) shall be subject to the right of the legislature from time to time to alter, revise, change, or amend," whereas the Galveston Wharf Company is not so subject to the control of the Texas legislature or other authority.

Second. Because we have no exclusive ownership of the water front at the Brazos River (see map heretofore submitted) whereas the Galveston Wharf Company owns the entire water front at Galveston as we are informed.

Third. Because the establishment of unreasonable tolls would restrict that commerce which is absolutely necessary for the success of the port.

Inasmuch, however, as it has been suggested that at some time we or our successors might attempt thus to establish a monopoly and to exact unreasonable charges, we announce our willingness to accept the following conditions of any purchase or taking over of our jetties and auxiliary works by the Government:

First. That 1 mile of land upon the water front, 300 feet in width on the east side of the Brazos River, within 6 miles of the shore end of the east jetty, shall be conveyed to the United States or to the State of Texas or to the county of Brazoria or to the city or town which may be incorporated, embracing the present town of Velasco for the purpose of the construction of public wharves and docks, which shall be free to the general public for all time, or, at the option of such public owner, a portion of said land not exceeding one-half thereof may be located upon the west side of the river within 6 miles of the shore end of the west jetty, said land to be subject only to the right of laying railroad tracks upon a strip 50 feet in width farthest removed from the Brazos River; or this company will indemnify and save harmless such public owner from any expense of taking said land by the right of eminent domain.

Second. That the United States Government may make such further regulation as to wharfage dues as it may deem necessary.

Respectfully,

ABNER TAYLOR,

President Brazos River Channel and Dock Company.

COL. HENRY M. ROBERT,

Chairman of Brazos River Board, Washington, D. C.

DISCHARGES FROM BUREAU OF ANIMAL INDUSTRY AT
SOUTH OMAHA, NEBR.

FEBRUARY 20, 1897.—Referred to the Committee on Civil Service and Retrenchment,
and ordered to be printed.

The VICE-PRESIDENT presented the following

STATEMENT OF THE CIVIL SERVICE COMMISSION IN RESPONSE
TO SENATE RESOLUTION OF FEBRUARY 17, 1897, RELATIVE TO
THE DISCHARGE OF MARY A. DALTON, WILLIAM HOLMES,
MARY FLYNN, JOHN ZELLER, AND DR. M. S. WHITE FROM
THE BUREAU OF ANIMAL INDUSTRY AT SOUTH OMAHA,
IN THE STATE OF NEBRASKA, FROM POSITIONS HELD UNDER
THE CLASSIFIED SERVICE OF THE GOVERNMENT.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., February 18, 1897.

SIR: In compliance with Senate resolution of February 17, 1897, directing the United States Civil Service Commission "to inform the Senate if Mary A. Dalton, William Holmes, Mary Flynn, John Zeller, and Dr. M. S. White, or any of them, have been discharged from the Bureau of Animal Industry at South Omaha, in the State of Nebraska, from positions held under the classified service of the Government, and if so, when and for what reasons; and if they or any of them have asked or petitioned the Civil Service Commissioners for an investigation of the charges made against them; and if said request or petition has been denied by the Civil Service Commissioners, and if so, for what reason or reasons the same has been denied; and that the said Civil Service Commissioners be, and they are hereby, directed to accompany their answer to this resolution with full and complete copies of all affidavits, letters, statements, testimony, depositions, reports of examiners, and all other papers and documents in their possession and in any manner bearing on the subject-matter of this resolution," the Commission has the honor to present the following statement:

Paragraph 4 of section 2 of the act of January 16, 1883, provides:

Said Commission may make investigations concerning the facts, and may report upon all matters touching the enforcement and effects of said rules and regulations, etc. (Referring to rules and regulations for the execution of the civil-service act.)

Section 3 of civil-service rule 2 provides:

No person in the executive civil service shall dismiss, or cause to be dismissed, or make any attempt to procure the dismissal of, or in any manner change the official rank or compensation of, any other person therein because of his political or religious opinions or affiliations.

Section 6 of this rule provides:

In making removals or reductions, or in imposing punishment for delinquency or misconduct, penalties like in character shall be imposed for like offenses; and action

thereupon shall be taken irrespective of the political or religious opinions or affiliations of the offenders.

Under the authority of the section of the civil-service act above referred to, it appears to be the duty of the Commission to investigate any violations of any of the provisions of the civil-service act or of the civil-service rules based upon that act, notably sections 3 and 6 of rule 2 above quoted.

November 16 a representative of the Commission called the Commission's attention to a clipping from the Omaha World-Herald of Sunday, November 15, and suggested an investigation of the statements that Dr. White, Mr. John Zeller, Miss Dalton, and Miss Flynn had been removed from service in the Bureau of Animal Industry for political reasons.

November 27, 1896, a communication was received from Mr. Ed. P. Smith, inclosing two complaints for attention. The complaints were from Miss Mary A. Dalton and Mr. John Zeller, stating that they were removed for "alleged neglect of duty," and it was their belief that they were discharged for political reasons. An investigation was also requested.

November 30 the Commission thanked its representative for the communication received and stated that an inquiry was being made into the facts. On the same date the Commission acknowledged the receipt on November 28 of a letter from Miss Mary Flynn, complaining that she had been discharged for "alleged neglect of duty," and that she believed her discharge was for political reasons; and she was informed that the matter would have the immediate attention of the Commission. On the same date the newspaper clipping was forwarded to the Secretary of Agriculture for his information, with the request that he return it with any statement which he desired to make. He was also advised that complaints had been received from some persons removed, charging that their removal was solely because they failed to support certain candidates favored by the Secretary of Agriculture at the last election. On the same date Mr. Edward P. Smith was advised that the complaints forwarded by him would have the attention of the Commission.

On December 2 the Secretary of Agriculture acknowledged the receipt of the Commission's letter of November 30, and in reply informed the Commission that he would be very glad to aid in the exposure and punishment of any violation of the civil-service law, and indicated his readiness to afford the Commission every facility for investigating his Department. Upon receipt of this letter Commissioner Procter made a personal call upon the Secretary of Agriculture, who then promised that he would furnish the Commission with a statement and affidavits, showing that the persons referred to were not removed for political reasons.

December 7 the Commission received a communication from Mr. O. G. Eckstein, attorney for H. C. Keeling, in which he advised the Commission that Mr. Keeling had been notified by "circular letter" of November 5, 1896, of his discharge from the Bureau of Animal Industry, dating from November 15; "reason, service not required." Without alleging political reasons, Mr. Eckstein demanded an investigation. With this letter was inclosed copy of a letter from Dr. D. E. Salmon, Chief of the Bureau of Animal Industry, which is a part of the Department of Agriculture, in response to the request of Mr. Keeling for charges preferred against him, which stated that his services were no longer required by the Department.

December 17 the Commission received a letter from Senator Allen,

reciting the circumstances of the removal at South Omaha of the persons already named, and stating that he was informed by those familiar with the facts that the removals were made for political reasons, and asking that prompt steps be taken in the matter. Through oversight this letter was not promptly acknowledged. A full reply was delayed until the Commission could forward to the Senator some substantial result of its investigation of the case.

December 19 a letter was received by the Commission from Herdman & Herdman, South Omaha, stating that they had heard nothing further from the Commission in the matter of their protest previously filed, except an acknowledgment of its receipt, asking a speedy hearing and an opportunity to meet the charges against the persons removed.

December 24 the Commission addressed a letter to the Secretary of Agriculture, stating that it was then in receipt of complaints from Senator Allen, Messrs. Herdman & Herdman, Mr. O. G. Eckstein, and Mr. Edward P. Smith, with reference to the removals in question, and asking the Secretary to advise the Commission of the facts in the case. Neither the letter of Senator Allen, nor those of any of the other persons named, were exhibited to the Secretary of Agriculture.

December 29 the Commission received a letter from the Secretary of Agriculture, acknowledging its communication of the 24th. In this letter the Secretary disclaimed any knowledge of whom the persons removed supported in the Presidential election and denied that political reasons had anything to do with the removals. The Secretary invited attention to inclosed sworn statements as to the causes of removal, distinctly requesting that unless they could be kept strictly for the Commission's own use, they be returned to the Secretary of Agriculture at once; and respectfully demanding that they should not be shown to any of the complainants in the case. It was further stated in the letter that other testimony as to incompetency and neglect of duty of the parties removed was expected in a few days and could be filed for inspection. The letter closes with the positive assertion that the removals, one and all, were made for neglect of duty.

January 2, 1897, the Commission received a letter from Herdman & Herdman, inclosing the petition of William Holmes relative to his discharge, and asking that they be advised as to whatever action would be taken in the matter. The petitioner set forth that he was never informed of any complaints or charges against him, and asked the Commission to take cognizance of his case, and grant him opportunity to appear and defend himself against the charges, if there were any.

January 5 the Commission received a letter from Mr. W. S. White, stating that he had been discharged "for neglect of duty," and that upon his request to the Department for specific charges, "pernicious political activity" was alleged. The latter also asked if he were not entitled to a hearing, and that a copy of the civil-service law be sent him.

January 8 another letter was received from Mr. White, stating that Secretary Morton had recently sent an agent to South Omaha, trying to find evidence against those removed. In this letter he again demanded an investigation by the Commission.

January 12 the Secretary of Agriculture forwarded to the Commission copies of additional affidavits bearing upon the conduct of Messrs. White and Zeller.

January 18 the Commission wrote to the Secretary of Agriculture, informing him that the complainants in the case had been informed of the substance of his letters, without stating by whom the affidavits

were made, and returned therewith the affidavits, with the understanding that they would be accessible to the Commission in the future, if circumstances made it necessary.

January 21 the Commission replied to Senator Allen's letter, received December 17, informing him that the Secretary of Agriculture had stated to the Commission that the removals of the persons in question were made for good reasons; that he did not know whom any of the persons supported for President, and that he did not care whom they supported, and had made no inquiry in that direction; and that the Secretary had further stated that he would furnish the Commission a number of sworn statements, from which it would appear that the removals were due solely to the internal discipline of the service, with which the Commission has no authority to interfere. The Commission called attention to the provisions of rule 2, above quoted, and to the fact that a removal not contrary to these provisions was not within the jurisdiction of the Commission. On the same date the Commission addressed letters of similar purport to Mr. O. G. Eckstein, Messrs. Herdman & Herdman, Dr. W. S. White, Mr. Edward P. Smith, and Miss Mary Flynn.

January 29 the Commission received a letter from Dr. W. S. White, acknowledging its communication of January 21 and expressing disappointment at having no opportunity to disprove the charges against him, stating that the manner in which the affidavits as to his removal were procured was unjust, and requesting a copy of the charges against him.

February 1, in reply to the above request of Dr. White for a copy of the charges against him, he was referred to the Secretary of Agriculture.

February 6 a letter was received from Herdman & Herdman, acknowledging the receipt of the Commission's letter of January 21, reaffirming that the removals were made for political reasons, and offering proof thereof, again requesting a hearing, and protesting against an ex parte investigation.

February 8 the Commission replied to the above communication from Herdman & Herdman, requesting them to furnish affidavits covering the points in their letter, in order that the Commission might decide whether the evidence was sufficient to justify the sending of a personal representative to make an investigation. To this letter no reply has been received.

February 17 the Commission received a letter from the Secretary of Agriculture stating that he had observed in the Congressional Record of that date some correspondence relative to the removals heretofore mentioned, and referring to a letter of Dr. White of January 15, 1896, proposing that the Secretary should become a candidate for the Presidency, and quoting the reply to that letter.

Under date of February 16 a letter was received from the Secretary of Agriculture, transmitting copies of letters as follows: Two of the dates of February 14, 1895, and November 28, 1896, written to Dr. W. S. White, admonishing him as to the importance of closer attention to his duties. Two of the date of December 3, 1894, addressed to Dr. Don C. Ayer, in charge of the Bureau of Animal Industry, at South Omaha, Nebr., one signed by the Secretary of Agriculture and the other by Dr. Salmon. These two letters in general directed Dr. Ayer to report on the condition of the efficiency of his force, stating how many men could be dispensed with without injury to the service, and instructing him that he should know no qualification of the employees under him except fidelity to their duty, and that no man was to be retained on account

of mere politics. One of the date of December 3, 1894, addressed to Dr. W. S. Devoe, a traveling veterinarian, instructed to report as to the service at various abattoirs. This letter was to the same general effect as the two last mentioned.

This completes the files of the Commission in the case. The Commission wishes to state that these complaints are only a few of the very many which, during its entire history, have come from all parts of the country, requesting investigations; and that the Commission always investigates so far as its limited force and appropriation will allow, when offer of proof is made that the civil-service law has been violated; but before instituting an investigation which requires the expenditure of money, the Commission desires affidavits substantiating the charges made, and it very seldom sends a personal representative unless such affidavits are furnished. So far as the Commission is aware, no claim of violation of the civil-service act has ever failed of attention and investigation.

As related to this subject, the Commission begs to state that the power and duty of removal are not affected by the civil-service act other than in cases of removal for political or religious causes. The Commission is not an appointing, or reinstating, or removing body. Nevertheless, its investigations, as shown at length in its last report, have succeeded in securing reinstatements or removals by the proper Department in most of the cases in which the facts presented by it showed that the provisions of the civil-service act had not been observed.

The Commission again respectfully calls attention, as it has repeatedly done in the past, to the fact that it has authority to investigate only cases of removal in which political or religious reasons are alleged, and that it has no power, even in such investigations, to administer oaths or to summon witnesses. It does not here suggest the desirability of such additional authority, but does wish to make clear the fact that this authority does not exist.

Attention is invited to the following extract from the thirteenth report of the Commission:

It was predicted by those who advocated the enactment of the civil-service law, that the temptation to make unjust removals would gradually disappear with the withdrawal of the power to control appointments to positions thus made vacant. This prediction has been largely fulfilled. The civil-service act did not intend that incompetent persons should be retained in office. The authority of removal and its exercise for proper reasons are necessary for the discipline and the efficiency of the public service. The power of removal is not affected by the law or the rules further than that they provide that removals shall not be made for political or religious reasons. The results under the present system are in every respect more satisfactory than under the old system.

The file in the case is forwarded herewith, except the communication from the Commission's representative of November 16, above mentioned.

When the preparation of this statement was nearly completed a letter was received from Messrs. Herdman & Herdman in reply to the Commission's letter of February 8, stating that the affidavits therein requested would be furnished in due course of time.

We have the honor to be, your obedient servants,

JOHN R. PROCTER,
WILLIAM G. RICE,
JOHN B. HARLOW,
Commissioners.

The PRESIDENT OF THE SENATE,
Washington, D. C.

[World-Herald, Omaha, Nebr., Sunday, November 15, 1896.]

VACANCIES AT SOUTH OMAHA—SILVER ADVOCATES ARE DISMISSED FOR "NEGLECT OF WORK."

For what seems to be purely a manifestation of political spite, Dr. White, chief microscopist of the Bureau of Animal Industry in South Omaha; John Zeller, a tagger, and Miss Dalton, and Miss Flynn, stenographers in the same Bureau, have been dismissed from the service by order of J. Sterling Morton, Secretary of Agriculture, for alleged neglect of work.

It was done, it is alleged, at the instance of Euclid Martin, W. D. McHugh, and Lee Spratlen, all bolters from the Democratic party and supporters of the present Administration. Those who lost their jobs were supporters of Bryan and free silver.

Dr. White has been in the Bureau of Animal Industry ever since its establishment in South Omaha, and had lived in Otoe County, Morton's home, for twenty-five years. Zeller, although a silverite, had frequently done the work of his goldbug taggers while the latter were out howling for McKinley during the campaign. The stenographers hadn't used their influence either way, but Messrs. J. J. O'Connor and John Murphy, the men who indorsed them for their positions years ago, are out-and-out silver workers, and the far-reaching hatred of the bolting Democrats apparently directed this as a slap upon the indorsers.

The person held responsible in the office from which the young women were dismissed is said to be a sister of Tobe Castor.

GENTLEMEN: I inclose herewith two complaints that I trust may have attention at your hands.

Yours, truly,

ED. P. SMITH.

The UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C.

OMAHA, NEBR., November 23, 1896.

GENTLEMEN: The undersigned, Mary A. Dalton, of Omaha, Nebr., would respectfully represent that on the 16th day of June, 1893, she was duly appointed to the position of assistant microscopist in the Bureau of Animal Industry at South Omaha, Nebr., at a salary of \$50 per month.

She represents that immediately after being notified of such appointment she began work thereunder, and worked continuously at the required duties until September, 1893, when she was indefinitely furloughed; that afterwards, on July 2, 1894, she was reassigned to duty, and worked continuously until November 14, 1896, when, by order of the Hon. J. Sterling Morton, Secretary of Agriculture, she was discharged for alleged "neglect of duty." Your petitioner represents that at no time during the entire period of her service, has she been absent from her place of duty, without leave; that she has at all times attended to her duties faithfully and to the best of her abilities; that at no time has any complaint been made of the manner in which she performed her work, nor has any person charged her with in any manner neglecting her duties. She states she has good reason to believe and does believe that the reasons for her discharge are wholly political; that she was discharged solely because she failed and refused to support certain candidates at the last election, whose election was favored by the honorable Secretary of Agriculture.

Wherefore she asks your honorable body to investigate the matters herein complained of, and if it be found that this petitioner has not been guilty of "neglect of duty" that she be ordered reinstated in position from which she has been discharged.

Yours, very respectfully,

MARY A. DALTON.

The UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C.

OMAHA, NEBR., November 19, 1896.

GENTLEMEN: The undersigned, John Zeller, of Omaha, Nebr., would respectfully represent that on June 27, 1895, he was duly appointed a tagger in the Bureau of Animal Industry, at South Omaha, Nebr., at a salary of \$60 per month.

He represents that immediately after being notified of such appointment he began work thereunder, and worked continuously at the required duties till November 14, 1896, when, by order of the Hon. J. Sterling Morton, Secretary of Agriculture, he was discharged for alleged "neglect of duty."

Your petitioner represents that at no time during the entire year 1896 has he been absent from his place of duty for any time whatever; that he has at all times attended to his duties faithfully and to the best of his ability; that at no time has any complaint been made of the manner in which he performed his work, nor has any person charged him with in any manner neglecting his duties.

He states he has good reason to believe, and does believe, that the reasons for his discharge are wholly political. That he was discharged solely because he failed and refused to support certain candidates at the last election, whose election was favored by the honorable Secretary of Agriculture.

Wherefore he asks your honorable body to investigate the matters herein complained of, and if it be found that this petitioner has not been guilty of "neglect of duty" that he be ordered reinstated in the position from which he has been discharged.

Yours, very respectfully,

JOHN ZELLER, 1923 South Tenth Street.

The UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C.

GENTLEMEN: The undersigned, Mary Flynn, of Omaha, Nebr., would respectfully represent that on June 16, 1895, she was duly appointed assistant microscopist in the Bureau of Animal Industry at South Omaha, Nebr., at a salary of \$50 per month.

She represents that immediately after being notified of such appointment she began work thereunder and worked continuously at the required duties till November 14, 1896, when, by order of the Hon. J. Sterling Morton, Secretary of Agriculture, she was discharged for alleged "neglect of duty."

Your petitioner represents that at no time during the entire year 1896 or at any other time has she been absent from her place of duty for any time whatever; that she has at all times attended to her duties faithfully and to the best of her ability; that at no time has any complaint been made of the manner in which she performed her work, nor has any person charged her with in any manner neglecting her duties.

She states she has good reason to believe and does believe that the reasons for her discharge are wholly political; that she was discharged solely because her friends failed and refused to support certain candidates at the last election, whose election was favored by the Honorable Secretary of Agriculture.

Wherefore she asks your honorable body to investigate the matters herein complained of, and if it be found that this petitioner has not been guilty of "neglect of duty" that she be ordered reinstated in the position from which she was discharged.

Yours, very respectfully,

MARY FLYNN.

The UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., November 30, 1896.

MADAM: I am to acknowledge the receipt of your letter complaining of your removal from the position of assistant microscopist in the Bureau of Animal Industry at South Omaha, Nebr., and to state that the matter will have the early attention of the Commission.

Very respectfully,

JOHN T. DOYLE,
Secretary.

Miss MARY FLYNN, Omaha, Nebr.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., November 30, 1896.

SIR: Your attention is invited to the inclosed newspaper clipping, with request that you kindly return it to the Commission with any remark that you may care to make. The clipping was forwarded to the Commission by a Government official, who asked whether the civil-service law has been violated. The Commission is also in receipt of complaints made by some of the persons removed, charging that their

removal was solely because they failed and refused to support certain candidates at the last election whose election was favored by the Secretary of Agriculture.

Very respectfully,

JOHN R. PROCTER, *President.*

The SECRETARY OF AGRICULTURE.

UNITED STATES CIVIL SERVICE COMMISSION,

Washington, D. C., November 30, 1896.

SIR: I am to acknowledge the receipt of your communication transmitting the complaints of Mary A. Dalton and John Zeller of their removal from positions in the Bureau of Animal Industry at South Omaha, Nebr. I am to state that the complaints will have the attention of this Commission.

Very respectfully,

JOHN T. DOYLE,
Secretary.

Mr. EDWARD P. SMITH,
923 New York Life Building, Omaha, Nebr.

UNITED STATES DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY,

Washington, D. C., December 2, 1896.

SIR: I have yours of November 20, inclosing certain newspaper clippings, which are herewith returned to the Commission.

The United States Department of Agriculture is ready at any and all times to afford the honorable the United States Civil Service Commission every facility for investigating its service as to promotions, demotions, or removals. If the civil-service law has been violated by the present Secretary of Agriculture he will be very glad to aid in his own exposure and condign punishment.

Very respectfully, yours,

J. STERLING MORTON, *Secretary.*

Hon. JOHN R. PROCTER,
President United States Civil Service Commission.

[Memorandum.]

DECEMBER 2, 1896.

Upon receipt of letter from the Secretary of Agriculture of this date, as to removals from the Bureau of Animal Industry, at South Omaha, Nebr., Commissioner Procter called upon the Secretary for personal consultation in the matter. The Secretary then promised that he would furnish the Commission with a statement and affidavits showing that the persons referred to were not removed for political reasons.

WICHITA, KANS., December 4, 1896.

GENTLEMEN: I beg leave to call your attention to the case of H. C. Keeling, of Caldwell, Kans., for whom I have been retained to place the matter before your Commission.

Mr. Keeling was live-stock agent at Caldwell, Kans., at a salary of \$1,200 per annum, in the Bureau of Animal Industry. These places were brought by the President within the classified civil service about July 1, 1895, as per the circular letter of the Secretary of Agriculture. Mr. Keeling was notified November 5, 1896, of his discharge, dating from November 15. Reason, "service not required."

There have been charges made at Caldwell, I understand, that Mr. Keeling was active for the success of the Democratic national ticket. But he was no more active than any other citizen.

I inclose copy of a letter of Dr. D. E. Salmon, Chief of Bureau, in response to request of Mr. Keeling for copy of charges preferred against him, if any.

Mr. Keeling's work has always been highly praised, and he appears to be the only one discharged of the whole force.

We demand an investigation of this case, and if there is any faith or justice in

civil service we desire a copy of any charges that may have been preferred, if any there be, and a chance to defend ourselves.

Trusting this matter, in justice to Mr. Keeling, may be promptly investigated, and that your Commission will act in the matter, I remain,

Yours, truly,

O. G. ECKSTEIN,
Attorney for H. C. Keeling.

CIVIL SERVICE COMMISSION,
Washington, D. C.

WICHITA, KANS., *November 30, 1896.*

SIR: Your note of the 26th instant to the Secretary, asking what charges, if any, have been preferred against you, and what are the grounds for your discharge, has been referred to this Bureau for reply. Your services were no longer required by the Department, and, as is customary in such cases, your discharge was made out on the regular blank used by the Department for such purposes.

Very respectfully,

D. E. SALMON, *Chief of Bureau.*

Mr. H. C. KEELING, *Caldwell, Kans.*

COMMITTEE ON FOREST RESERVATIONS
AND THE PROTECTION OF GAME,
UNITED STATES SENATE,
Washington, D. C., December 15, 1896.

GENTLEMEN: On November 15 ultimo, at South Omaha, Nebr., certain persons in the service of the Government, in the Bureau of Animal Industry, among them Dr. White, John Zeller, and Mary A. Dalton, were discharged. The notice received by them stated that they were discharged for "neglect of duty." No other reason was assigned, nor was it stated wherein they had neglected their duty. Complaints were forwarded to you on the 25th of November and were acknowledged on the 30th. Dr. White wrote to the Secretary of Agriculture, asking him for the cause of the discharge, and received a reply stating that it was for "pernicious activity in politics. It is stated to me on good authority that those familiar with the facts know that these persons were discharged because they supported the Hon. W. J. Bryan at the late election for the Presidency. Those who were against Mr. Bryan are still in the service.

I ask you to take prompt steps to have these complaints heard so that it may be demonstrated, if that can be done, that civil service, so called, is not a delusion. There can not be the slightest doubt, when these complaints shall have been heard, that the removals were prompted solely by the fact that the victims were advocates of bimetallism and supporters of Mr. Byran.

I have the honor to be, very truly, yours,

WM. V. ALLEN.

The CIVIL SERVICE COMMISSIONERS,
Washington, D. C.

OMAHA, NEBR., *December 16, 1896.*

GENTLEMEN: Some weeks ago a protest against removal was filed before your Commission by Miss Mary Dalton, of South Omaha, Nebr. We have heard nothing from the Commission except an acknowledgment of the receipt of the protest. Can't the matter be pushed to a speedy hearing? J. Sterling Morton has had a special agent, detective, or spy on the ground hunting up evidence to sustain the removal. We wish the opportunity of meeting the charges, if any, and are prepared to do so. What is the procedure of the Commission in these cases?

Do you grant a hearing on the charges filed? Do you consider any evidence except what is given under oath upon notice to the other party and before a commissioner appointed for that purpose?

Yours, truly,

HERDMAN & HERDMAN.

CIVIL SERVICE COMMISSION,
Washington, D. C.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., December 24, 1896.

SIR: Adverting to its communication of November 30, and to your reply of December 2, relative to certain newspaper statements charging that certain removals have been made in the Bureau of Animal Industry at Omaha, Nebr., for political reasons, the Commission would state that it is now in receipt of complaints from Senator William V. Allen, Messrs. Herdman & Herdman, attorneys at law, of Omaha; Mr. Otto G. Eckstein, attorney at law, of Wichita, Kans., and Mr. Edward P. Smith, of Omaha, Nebr., with reference to the removal of Dr. White, John Zeller, Mary A. Dalton, H. C. Keeling, stock examiner at Caldwell, Kans., and Miss Mary Flynn.

The charges are in substance that these persons were discharged because of their support of a certain candidate in the recent Presidential election, and that the removals were prompted solely because the above-named persons failed and refused to support certain candidates at the election whose election was favored by the Secretary of Agriculture.

Please advise the Commission as far as you may be willing to do so of the facts, in order that it may make reply to these complaints.

Very respectfully,

JOHN R. PROCTER,
President.

The SECRETARY OF AGRICULTURE.

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., December 28, 1896.

GENTLEMEN: I reply to your communication of December 24, which reached me this moment.

You say that complaints have been made by "Senator William V. Allen, Messrs. Herdman & Herdman, attorneys at law, of Omaha; Mr. Otto G. Eckstein, attorney at law, of Wichita, Kans., and Mr. Edward P. Smith, of Omaha, with reference to the removal of Dr. White, John Zeller, Mary A. Dalton, H. C. Keeling, stock examiner at Caldwell, Kans., and Miss Mary Flynn. The charges are in substance that these persons were discharged because of their support of a certain candidate in the recent Presidential election, and that the removals were prompted solely because the above-named persons failed and refused to support certain candidates at the election whose election was favored by the Secretary of Agriculture."

The Secretary of Agriculture does not know whom either of the removed parties supported for President. He never asked them to support either Bryan, McKinley, Palmer, Levering, or anyone else. The Secretary of Agriculture never inquired whom either of those gentlemen supported, nor does he care whom they supported. Nor did the Secretary of Agriculture know what candidate for the Presidency the Misses Flynn and Dalton supported, or whether they supported them by speeches alone or by ballot.

It would be well for the chargers, Senator Allen et al., to state whose "election was favored by the Secretary of Agriculture." As to this important matter, the communication of Senator Allen and other distinguished lawyers in Nebraska and Kansas, is entirely silent.

The removals were for good reason.

Inclosed find some sworn statements made and filed with this Department since the charges which Senator Allen reiterates were first made. The first affidavit has reference particularly to the chief microscopist, Dr. W. S. White.

[Here follow five affidavits which were returned to, and are now in the possession of, the Secretary of Agriculture.]

It does not seem to me proper that the statements of these people in the service should be given to any other persons than those composing the United States Civil Service Commission. And it is distinctly requested that unless they can be kept strictly for your own use and enlightenment, they may be returned to the Secretary of Agriculture at once. It is furthermore respectfully demanded that you shall show them to none of the complainants in this case.

In a few days I expect to have other testimony as to the incompetency and neglect of duty of the parties removed, and I hope it may be of such a character that I can file it for general inspection by Senator Allen and all the balance of the complainants. Meantime I assert precisely what was stated in the notice given to each one of the removed parties, that they were, one and all, separated from the service of the Bureau of Animal Industry because of neglect of duty.

Yours, respectfully,

J. STERLING MORTON,
Secretary.

The UNITED STATES CIVIL SERVICE COMMISSION.

OMAHA, NEBR., *December 30, 1896.*

GENTLEMEN: We herewith inclose you petition of William Holmes, assistant inspector in Bureau of Animal Industry under United States Department of Agriculture at South Omaha, Nebr., relative to his discharge.

Kindly advise us as to what action is taken in the matter. Mr. Holmes especially desires that the matter be investigated and that he be given an opportunity to defend himself against charges filed, if any have been filed.

Kindly also advise us as to what action has been taken in the matter of the applications of Mary Dalton and John Zeller, heretofore filed before your honorable Commission.

Yours truly,

HERDMAN & HERDMAN.

BOARD OF CIVIL SERVICE COMMISSIONERS,
Washington, D. C.

OMAHA, NEBR., *December 30, 1896.*

GENTLEMEN: The undersigned, William Holmes, would respectfully state:

That on November 6, 1893, he was duly appointed an assistant inspector at South Omaha, Nebr., in the Bureau of Animal Industry in the United States Department of Agriculture; that he qualified and entered upon the duties of said position and served continuously therein up to December 15, 1896, when he was removed from said position by the order of Hon. J. Sterling Morton, Secretary of Agriculture. Your petitioner would state that in July, 1895, the civil-service law was extended to cover the position held by him, and that ever since he has been working under the rules of the civil service. Your petitioner would further state that at no time was he informed of any complaints being filed or charges made against him; that at this time he has no knowledge or information as to the nature of the charge, if any there be, against him; that he was not permitted or granted an opportunity to be heard in defense of such charges. Your petitioner therefore asks that your honorable body take cognizance of this petition and inform him of the nature of the charges filed against him, and grant him an opportunity to appear and defend himself against such charges, and for such other relief as may be had under the rules and precedents of your honorable Commission.

WILLIAM HOLMES.

HERDMAN & HERDMAN, *Attorneys.*

The CIVIL SERVICE COMMISSION.

SOUTH OMAHA, NEBR., *January 2, 1897.*

DEAR SIR: September 1, 1893, I was placed in charge of the microscopic department of the Bureau of Animal Industry at this place. November 14, 1896, I received a communication from Secretary Morton saying I was "hereby discharged" (not suspended) "for neglect of duty." I wrote Secretary Morton and asked him to tell me in what way I had neglected my duty. His private secretary answered the letter by saying, "For your own satisfaction that the Secretary's recent action in your case was based on what he considered the strongest and most indisputable evidence from several reliable sources as to very decided pernicious political activity upon your part during the recent campaign." I have written to the Secretary several times denying the charge and asked him, Secretary Morton, to send some impartial man out here and investigate the matter thoroughly, but hear nothing more from him. In one communication Secretary Morton says I was removed "for neglect of duty," and in the other "for pernicious partisanship." Am I not entitled to a hearing in the matter? Having had a long personal acquaintance with the Secretary, I have been reluctant to resent my treatment in this matter; but feel that justice has not been done me. Not having the law governing such matters, I have not read it. I will be obliged for a copy of the civil-service law if any for distribution. Does the appointing officer notify your honorable Board, and for what cause, when he makes removals?

Yours, very respectfully,

W. S. WHITE.

CIVIL SERVICE COMMISSION,
Washington, D. C.

SOUTH OMAHA, NEBR., *January 6, 1897.*

DEAR SIR: Secretary Morton has had a special agent here a week or more trying to find "evidence that will stick" before you against those of us that were dismissed

from the Bureau of Animal Industry in November, 1896. I thought all along since my discharge that I'd let the matter go by default, but when a Government official comes here and acts as this agent, I demand an investigation by your honorable Commission. He finds a family I treated and takes their affidavit. Tried to get one man to say to-day, or yesterday rather, that he could get me any time of the day, even during working hours. I also understand this agent has gotten copies of my prescriptions to be used as evidence against me. I feel that I can satisfy your honorable Board of Commissioners that I've been a faithful public servant since in the employ of Government, especially so since under civil service. I've done a little practice of medicine ever since residing in South Omaha, but have not done so to the neglect of my official duties. Secretary Morton has known all the time that I was practicing medicine, and has even encouraged me to do so. I called on the Secretary at the Paxton Hotel, Omaha, Nebr., in 1895. I think he asked how was my practice; told him not much. He said it would be better. I've never been asked to stop practicing.

Yours, respectfully,

W. S. WHITE.

BOARD CIVIL SERVICE COMMISSION,
Washington, D. C.

P. S.—I hope your honorable Board will send someone here to see “inside of this matter.” He will be edified.

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., January 11, 1897.

DEAR SIR: Referring to the dismissal of Dr. W. S. White and John Zeller from the force of the Bureau of Animal Industry at South Omaha, Nebr., I inclose herewith for your information copies of additional affidavits bearing upon the conduct of these gentlemen. I think these affidavits show conclusively that my action was for the good of the public service.

Very respectfully,

J. STERLING MORTON,
Secretary.

Hon. JOHN R. PROCTER,
President Civil Service Commission.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 18, 1897.

SIR: Referring to your communications of December 28 and January 11, transmitting copies of affidavits relative to the removal of certain persons in the Bureau of Animal Industry at Omaha, Nebr., you are informed that the Commission has written to the complainants, repeating the substance of your letter without saying by whom the affidavits were made. In view of your wish that the names of the affiants and their statements should not be disclosed, the Commission thinks it better to return the papers to you for your files, with the understanding, of course, that they will be accessible to the Commission in the future if circumstances should make it necessary.

Very respectfully,

JOHN R. PROCTER, *President.*

The SECRETARY OF AGRICULTURE.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 21, 1897.

SIR: Referring to your communication of December 16, previously acknowledged, with reference to the removal of certain persons from the Bureau of Animal Industry at South Omaha, Nebr., for alleged political reasons, you are informed that the Secretary of Agriculture has stated to the Commission that the removals were made for good reasons; that he did not know whom any of the persons removed supported for President; that he made no inquiry, nor did he care whom they supported. He has laid before this Commission a number of sworn statements, from which it would appear that the removals related solely to the internal discipline of the service, in which this Commission has no authority to interfere. Later, the Secretary of Agriculture addressed the Commission, inclosing copies of additional affidavits bearing

upon the conduct of Drs. White and Zeller, adding: "I think these affidavits show conclusively that my action was for the good of the public service."

The civil-service rules contain the following provisions respecting dismissals or changes of rank:

"Rule II. * * *

"3. No person in the executive civil service shall dismiss, or cause to be dismissed, or make any attempt to procure the dismissal of, or in any manner change the official rank or compensation of any other person therein because of his political or religious opinions or affiliations.

* * *
"6. In making removals or reductions, or in imposing punishment for delinquency or misconduct, penalties like in character shall be imposed for like offenses, and action thereupon shall be taken irrespective of the political or religious affiliations of the offenders."

Where a removal or reduction is made for reasons relating to the internal administration of the service not contrary to clauses 3 and 6 of Rule II, cited above, the Commission has no authority to interfere.

In view of the statement of the Secretary of Agriculture and the evidence which he submits, the Commission feels that, with its limited force and the pressure of work, it can not at this time make an investigation of its own into the matter.

Very respectfully,

JOHN R. PROCTER, *President.*

Hon. WILLIAM V. ALLEN,
United States Senate.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 21, 1897.

SIR: Referring to your communication, previously acknowledged, with reference to the removal of H. C. Keeling from the Bureau of Animal Industry at South Omaha, Nebr., for alleged political reasons, you are informed that the Secretary of Agriculture has stated to the Commission that the removals were made for good reasons. That he did not know who any one of the persons removed supported for President; that he made no inquiry, nor did he care who they supported. He has laid before the Commission a number of sworn statements, from which it would seem that the removals related solely to the internal discipline of the service, in which this Commission has no authority to interfere. Later, the Secretary of Agriculture addressed the Commission, inclosing copies of additional affidavits, adding, "I think these affidavits show conclusively that my action was for the good of the public service."

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Very respectfully,

JOHN R. PROCTER, *President.*

Mr. OTTO G. ECKSTEIN,
111 South Main street, Wichita, Kans.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 21, 1897.

GENTLEMEN: Referring to your communication, previously acknowledged, with reference to the removal of Mary A. Dalton and William Holmes from the Bureau of Animal Industry at South Omaha for alleged political reasons, you are informed that

the Secretary of Agriculture has stated to the Commission that the removals were made for good reasons; that he did not know whom any one of the persons removed supported for President; that he made no inquiry, nor did he care whom they supported. He has laid before the Commission a number of sworn statements, from which it would seem that the removals related solely to the internal discipline of the service, in which this Commission has no authority to interfere. Later, the Secretary of Agriculture addressed the Commission, inclosing copies of additional affidavits, adding: "I think these affidavits show conclusively that my action was for the good of the public service."

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* * * * *

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Very respectfully,

JOHN R. PROCTER, *President.*

Messrs. HERDMAN & HERDMAN,
Creighton Block, Omaha, Nebr.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 21, 1897.

SIR: Referring to your communication, previously acknowledged, with reference to your removal from the Bureau of Animal Industry at South Omaha, Nebr., for alleged political reasons, you are informed that the Secretary of Agriculture has stated to the Commission that the removals were made for good reasons; that he did not know who anyone of the persons removed supported for President; that he made no inquiry, nor did he care whom they supported. He has laid before the Commission a number of sworn statements, from which it would seem that the removals related solely to the internal discipline of the service, in which this Commission has no authority to interfere. Later, the Secretary of Agriculture addressed the Commission, inclosing copies of additional affidavits, adding: "I think these affidavits show conclusively that my action was for the good of the public service."

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Very respectfully,

JOHN B. PROCTER, *President.*

Mr. W. S. WHITE, *South Omaha, Nebr.*

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 21, 1897.

SIR: Referring to your communication, previously acknowledged, with reference to the removal of Mary A. Dalton and John Zeller from the Bureau of Animal Industry at South Omaha, Nebr., for alleged political reasons, you are informed that the Secretary of Agriculture has stated to the Commission that the removals were made for good reasons; that he did not know who any one of the persons removed supported for President; that he made no inquiry, nor did he care whom they supported. He has laid before the Commission a number of sworn statements, from which it would seem that the removals related solely to the internal discipline of the service in which this Commission has no authority to interfere. Later the Secretary of Agriculture addressed the Commission, inclosing copies of additional affidavits, adding: "I think these affidavits show conclusively that my action was for the good of the public service."

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In view of the statement of the Secretary of Agriculture and the evidence which he submits, the Commission feels that with its limited force and the pressure of work it can not at this time make an investigation of its own into the matter.

Very respectfully,

JOHN R. PROCTER, *President.*

Mr. ED. P. SMITH,
923 New Life Building, Omaha, Nebr.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 21, 1897.

MADAM: Referring to your communication previously acknowledged with reference to your removal from the Bureau of Animal Industry at South Omaha, Nebr., for alleged political reasons, you are informed that the Secretary of Agriculture has stated to the Commission that the removals were made for good reasons; that he did not know who any one of the persons removed supported for President; that he made no inquiry, nor did he care whom they supported. He has laid before the Commission a number of sworn statements, from which it would seem that the removals related solely to the internal discipline of the service, in which this Commission has no authority to interfere. Later, the Secretary of Agriculture addressed the Commission, inclosing copies of additional affidavits, adding: "I think these affidavits show conclusively that my action was for the good of the public service."

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In view of the statement of the Secretary of Agriculture and the evidence which

he submits, the Commission feels that with its limited force and the pressure of work it can not at this time make an investigation of its own into the matter.

Very respectfully,

JOHN R. PROCTER, *President.*

Miss MARY FLYNN, *Omaha, Nebr.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
South Omaha, Nebr., January 26, 1897.

DEAR SIR: Your communication of January 21 received, and I am greatly disappointed to know I will have no opportunity to prove to your honorable Commission that every charge against me is false. Secretary Morton tells you he did not remove me for political reasons. His private secretary writes me he did. I know Secretary Morton a great deal better than any member of your Commission. Have had a long personal acquaintance with him. The Secretary's friends tell me that he, the Secretary, feels that my course during the recent campaign was a personal insult to him. Secretary Morton is a brainy man and thinks his way of looking at things just "the way." I am surprised at Secretary's course in this matter. He said to me in his own home last September that he "had never heard a word against my department." I had charge of the microscopic department here a little over three years, and during that time there was at least twelve months there was no microscopic work to be done. In that idle time I made calls when asked to do so. Some of the affidavits in your possession were given by parties visited at the above time. You also have affidavits from persons who will swear I never visited them during working hours. There is no justice in this one sided affair. I will be greatly obliged for a copy of the charges against me, days and dates of duty neglected. I think I am entitled to them. Nothing but justice to me.

Yours, respectfully,

W. S. WHITE.

Hon. JOHN R. PROCTER.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., February 1, 1897.

SIR: In reply to your letter of January 26, I am to state that the Commission has no duty to furnish you a copy of the charges against you, and must refer you to the Secretary of Agriculture for such a copy.

Very respectfully,

JOHN T. DOYLE,
Secretary.

Dr. W. S. WHITE,
South Omaha, Nebr.

OMAHA, NEBR., *February 3, 1897.*

GENTLEMEN: Your letter of date January 21, 1897, in reply to the appeal of William Holmes and Mary A. Dalton to your Commission for an investigation of the alleged charges of "neglect of duty," for which they were discharged on November 15, 1896, from the Bureau of Animal Industry at South Omaha, came to hand in due time, but owing to absence from the city and the press of other matters, we were unable to give it immediate attention. We exceedingly regret that the "Commission, with its limited force and the pressure of other matters," can not at this time make an investigation of these removals. If given the opportunity, we can show that the removals were made solely for political reasons; that the departmental force at South Omaha has at all times been used by the machine for political purposes; that the persons removed, as well as other persons in the service at this point, obtain their positions through Euclid Martin, postmaster of this city; that Martin is the head of one of the factions of the Democratic party in this State, and during the last campaign directed and coerced the political conduct of the Federal employees at South Omaha; that he has done this for years; that he is the western agent of J. Sterling Morton, and no doubt was instrumental in having these persons removed. Not that he filed the charge himself, but was instrumental in having it done by others under his control—Rush, Sherlock, Leddy, Conoyer, etc.

We can show that the Secretary of Agriculture not only asked, but directed men in the service at South Omaha to do political work; that these persons were also

instructed as to the part they should take in primaries. None but Bryan Democrats have been removed. The charge of neglect of duty is false, and made only to cover up and excuse removals made because the persons removed chose to exercise the right of every American citizen, i. e., to determine their politics for themselves and not to take it from the Secretary of Agriculture. The persons removed were among the most efficient in the service, frequently doing the work of Morton's spies while they were loafing in saloons, drunk, or absent without leave.

Mrs. Ida E. Bushnell (a sister of Tobias Castor, one of the P. and B. Democrats) made her boasts (she is a microscopist at South Omaha) before election that if the election went against Bryan she would see that certain persons were removed. She openly threatened and taunted her chief, Dr. White, with threats of removal, etc.

We do not believe it possible that the Commission will pass over this case. The persons protesting and asking this investigation are refused a privilege given the meanest criminal in the land, viz, the name of their accusers, the nature of the accusation against them, and the opportunity of defending themselves. A removal under the circumstances and for the reasons stated implies a reflection upon the ability, the integrity, and faithfulness to duty of the persons removed. It is far worse than a removal for political reasons, which is accepted as the fate of all partisans.

If we understand correctly the contents of your letter, there is no civil service in this country so far as removals are concerned. If a chief officer can remove and assign as a reason therefor a cause relating to the "internal discipline" of the service, and your Commission can not and will not go behind the cause assigned, then civil-service reform is a sham, and any pretensions of regard therefor rank hypocrisy. We learn this with surprise and regret, and yet, as we belong to a political party that was charged with declaring in favor of a return to the "odious spoils system," and denounced throughout the country for it, it is a source of no little gratification that we learn that we have never departed from the odious spoils system, and that a return to such is unnecessary. We can not believe that you will deny our clients an investigation; it will be an act of fairness and justice to all concerned. A removal and hearing based only upon ex-parte affidavits made and collected by a party whose conduct is impugned will never satisfy the people that justice has been done. We know and can prove that the Secretary of Agriculture and the postmaster of this city by these removals have sought to revenge themselves upon those who would not do their political bidding. Again we ask you to grant us a hearing.

Yours, truly,

HERDMAN & HERDMAN.

BOARD OF CIVIL SERVICE COMMISSIONERS,
Washington, D. C.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., February 8, 1897.

GENTLEMEN: In reply to your letter of February 3, in the matter of the removal of certain persons in the Bureau of Animal Industry for alleged political reasons, I am to request that you furnish affidavits covering the points in your letter, in order that the Commission may decide whether the evidence is sufficient to justify the sending of a personal representative to make an investigation.

Very respectfully,

JOHN R. PROCTER, *President.*

MESSRS. HERDMAN & HERDMAN,
Attorneys at law, Creighton Block, Omaha, Nebr.

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., February 15, 1897.

SIR: I observe in the Congressional Record, which I received this morning, some correspondence relative to removals of certain employees of the Bureau of Animal Industry of the United States Department of Agriculture at South Omaha, Nebr. Among those letters is one from my private secretary, Mr. John Nordhouse. That communication probably was based upon a letter written to me by Dr. White, proposing that I should become a candidate for the Presidency, and that he would do all he could to secure a delegation. Dr. White's letter was turned over to Mr. D.

Maccuaig, chief of this Department, to answer. The following is Mr. Maccuaig's answer:

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE CHIEF CLERK,
Washington, D. C., January 22, 1896.

DEAR SIR: Replying to your letter of the 15th instant, addressed to the Secretary, I have to inform you that he has neither time nor inclination to influence people of Nebraska in any political action. The Democracy should act in the interests of the party, independent of the dictation or direction of anyone. Whatever may be done will be acquiesced in by the Secretary.

Respectfully, yours,

D. MACCUAIG,
Chief Clerk.

Mr. W. S. WHITE,
South Omaha, Nebr.

The foregoing may be indicative of some "pernicious political activity" which was proposed in behalf of—

Yours, respectfully,

J. STERLING MORTON,
Secretary.

Hon. JOHN R. PROCTER,
President United States Civil Service Commission.

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., February 16, 1897.

SIR: Further complying with your request as to causes for the dismissal of Dr. W. S. White, I give you herewith copies of letters which have been written to him from time to time admonishing him as to the importance of closer attention to the duties of his office as chief microscopist at South Omaha.

I also inclose copies of two letters, dated December 3, 1894, addressed to Dr. Don. C. Ayer, in charge of the Bureau of Animal Industry at South Omaha, Nebr.

Also a copy of a letter addressed to Dr. W. S. Devoe, dated December 3, 1894, who at that time was a traveling veterinarian instructed to report as to the service at each point where large abattoirs were doing business.

A letter of special instruction, signed by the Secretary of Agriculture and addressed to Dr. W. S. White, dated February 14, 1895, is also sent, to show that Dr. White has been properly admonished to attend to his duties.

Lastly, a letter dated November 28, 1896, addressed to Dr. White and signed by the Chief of the Bureau of Animal Industry, Dr. D. E. Salmon.

Dr. White had long been a resident of Otoe County, Nebraska, and as a country physician was much esteemed by many of his neighbors. Perhaps the fallacy of an appointive system which apportions places to personal friends for political favorites instead of to those who have been examined by a competent commission and admitted upon probation because of proof merit will never be more singularly illustrated than in the case of Dr. White. This confession is made out of the individual experience of the Secretary of Agriculture, whose friendly relations with Dr. White influenced him to place the doctor in the service without sufficiently considering some of his peculiarities. It further proves that the performance of the duty of removing a personal and political friend who is constantly assuring you of his fidelity to the financial and other economic views which you hold more than neutralizes with painful humiliation the gratification which you felt in making the appointment. Dr. White assures me that he has been for thirty years and down to the present month a supporter of all the economic and financial views of the undersigned.

Very respectfully,

J. STERLING MORTON, *Secretary.*

Hon. JOHN R. PROCTER,
President United States Civil Service Commission, Washington, D. C.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., November 28, 1896.

DEAR SIR: I am in receipt of your letter of the 23d instant, and note your statement that you have not retained counsel to bring your case before the Civil Service Commission, and that having lived fifty years without going to law you think you

can spend the remainder of your days without it. I think your decision is a wise one, particularly as Secretary Morton has demonstrated his desire to assist you by your appointment and retention in office until this time.

I presume you feel that you gave proper attention to your duties while you were in the employ of the Department, but it is well to remember that different people look at the same thing from different points of view. I may state frankly to you that when I visited South Omaha I was surprised to find you occupying the main office and conducting a private medical practice there, while the assistant microscopists were at work on another floor of the building, where you certainly could not give them the constant supervision which is required in such cases.

Even if you visited the microscopical rooms as frequently as was necessary, this manner of conducting the business was calculated to cause criticism of your management and lead to unfavorable conclusions as to the character of the inspection. It led to serious reflections being made in regard to yourself and to unfavorable comments in reference to the Secretary, although he and I, previous to my visit, were both entirely ignorant of these facts. On my return I presented this matter to him, and my report led to the changes which were afterwards made and which you appeared to think were directed against you personally, although the object was simply to maintain the reputation of the administration of the inspection service at South Omaha. I have regretted that you considered it necessary to practice medicine while in the employ of the Department, and particularly that you should have an office in the same building with the Bureau office, and that you should give any time to such private practice during office hours. It always appeared to me that this was objectionable and would lead to reports of neglect of duty, no matter how faithful you might be in performing the duties which were intrusted to you.

While I am not in a position to know all the details concerning your actions and the report which reached the Secretary, I do know that he received reports from friends and perhaps others which were of such a nature that he felt compelled to take the action which he did in the interest of the public service, and considering the facts which I have already referred to, I could not be surprised at his receiving such reports or at their being so numerous and so strong as to require attention at his hands.

Very respectfully,

D. E. SALMON,
Chief of Bureau.

Dr. S. W. WHITE, *South Omaha, Nebr.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., December 3, 1894.

SIR: You will please inform the packers for whom you are inspecting that beginning with the 15th instant they will be expected to furnish the labor required to put the stamps on packages. The work must be under the supervision of the employees of this Bureau, and you will see that some one is at each packing house who is responsible for the stamps used, and who will know of his personal knowledge that they have all been put upon packages. After making these arrangements, you will please make a report on the condition and efficiency of your force, and state how many men can be dispensed with without injury to the service; also make recommendations as to the parties who are of the least use to you, so that in making reductions the most efficient employees may be retained.

It is the Secretary's desire to place the force at South Omaha upon a good working basis, and he has written you to-day to assure you that he would not countenance insubordination or the attempt by anyone to avoid the work or responsibilities which their position implies.

Very respectfully,

D. E. SALMON,
Chief of Bureau.

Dr. DON. C. AYER,
Care Cudahy Packing Company, South Omaha, Nebr.

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., December 3, 1894.

SIR: A report from Dr. Devoe, relative to the efficiency of the force at South Omaha, convinces me that you are doing your very best to make the work of the Bureau of Animal Industry of value to the packers and public. Therefore you are again instructed that in the discharge of your duty you shall know no qualification for employees under you except fidelity to their duty and the faithful discharge of

the same day after day. No man will be retained on account of mere politics, and no man need think for a moment that he has a "pull" (if one may use the political parlance of the day), either with the Secretary of Agriculture or any other member of the Administration, that will continue him in office unless he does his duty thoroughly well and keeps always intact his reputation as an industrious, temperate, decent, quiet citizen.

This letter you are at liberty to show to any and all comers.

Respectfully, yours,

J. STERLING MORTON, *Secretary.*

Dr. DON C. AYER,

Bureau of Animal Industry, South Omaha, Nebr.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., December 3, 1894.

SIR: The changes recommended in your recent letters from South Omaha have been carried into effect, and it will probably be well for you to return when your inspection at Sioux City is complete. I wrote you a few days ago to inspect Sioux City in order to put the work on a uniform basis at all of these points.

There have been many complaints that the inspection was more rigid at some of these places than at others, and while this is probably in part due to local jealousy, the Secretary is desirous of removing any cause of complaint which may exist. He has just written to Dr. Ayer that he will support him in maintaining discipline, and that no political influence will shield any of his employees.

It is time that the men on the force at South Omaha learn that the Secretary intends to conduct the inspection on a business basis and not to allow political influence to interfere with that intention.

You will please write me on your return to South Omaha how matters are going on, and if any further action is necessary to maintain discipline and secure honest service, and make such recommendations as you think will best secure this object.

Very respectfully,

D. E. SALMON, *Chief of Bureau.*

Dr. W. S. DEVOE,

(Care Dr. John Airth, care Sioux City Packing Company),

Sioux City, Iowa.

FEBRUARY 14, 1895.

DEAR SIR: I have just written to the owners of the Packers National Bank that our force will continue to occupy that building, providing that skylights are put in and the partitions are removed between the rooms occupied by the assistant microscopists, so that there can be one large room for their use. I have asked them to consult with Dr. Ayer and yourself as to the number of partitions that should be removed.

In making a room for the microscopical work it should be large enough to accommodate as large a force as is likely to be needed. It may, however, be more convenient to you to have one of the small rooms retained as a storeroom, and that you could still have a large enough room made from the others. I leave this to the discretion of Dr. Ayer and yourself. When this change is made I desire that you shall remain in the room with the assistant microscopists while they are at work, to see that the work is properly conducted and that their findings are reliable. It is not satisfactory to me to have the assistant microscopists work without constant supervision, and I shall expect you, therefore, to remain with them and enforce order and attention to the work, and see that the work is properly performed.

The property of the Department used in microscopical inspection should be under your immediate care, and you should see that it is not unnecessarily damaged or lost. I learn, for instance, from the inventory, that ten pair of scissors and two sample boxes have disappeared or been lost. Your supervision of this work should be so rigid that property of this kind could not be removed or lost without its coming at once to your attention, and in that case you should report the matter to Dr. Ayer with a statement of who is the responsible party, and the substance of this report can then be embodied in Dr. Ayer's report to this Department.

I inclose with this, for your information, copy of an order which I have made in regard to the care of the Government property.

Very respectfully,

J. STERLING MORTON,
Secretary.

Dr. W. S. WHITE

(Care Packers' National Bank),

South Omaha, Nebr.

OMAHA, NEBR., *February 15, 1897.*

GENTLEMEN: Your letter of the 8th, relating to the removal of certain persons in the Bureau of Animal Industry at South Omaha, in which you request us to furnish affidavits covering the points in my letter of February 3, received. In reply would say that I will prepare and forward affidavits as soon as possible. My clients are handicapped, however, by the fact that they are denied a copy of the charges preferred against them. "Neglect of duty" is a most general charge. It covers every form of neglect and the result is that, as we are advised at the present time, it will be necessary to negative every possible form of neglect of duty, whereas if we knew what specific act was alleged as constituting neglect of duty, or wherein or how or when my clients were guilty of neglect, it would be quite far easier to meet the charge.

Again I ask you, will you furnish my clients with a copy of the charges preferred and the affidavits filed by the Secretary of Agriculture?

We think that we are entitled to the names of the persons preferring the charges and making the affidavits, but if for any reason you do not wish to give them, send us copy of balance of showing. Another thing we desire to state here and now is that the other employees at South Omaha will not voluntarily give affidavits in this matter for fear of losing their positions.

After March 4, or in the event a commissioner is sent here to take testimony, there will be no trouble in securing the evidence of the employees.

Yours, truly,

W. H. HERDMAN.

CIVIL SERVICE COMMISSION,
Washington, D. C.

C

AMERICAN INSURANCE COMPANIES IN GERMANY.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING,

IN RESPONSE TO SENATE RESOLUTION OF THE 15TH INSTANT,
A REPORT FROM THE SECRETARY OF STATE, ACCOMPANIED
BY COPIES OF CORRESPONDENCE WITH THE GERMAN GOVERN-
MENT IN REFERENCE TO AMERICAN INSURANCE COMPANIES.

FEBRUARY 20, 1897.—Laid on the table and ordered to be printed.

To the Senate:

I transmit herewith, in answer to the resolution of the Senate of the 15th instant, a report from the Secretary of State, accompanied by copies of correspondence with the German Government in reference to American insurance companies.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, February 20, 1897.

The PRESIDENT:

The Secretary of State, to whom was referred a resolution adopted in the Senate of the United States on the 15th instant, requesting the President, "if not incompatible with the public interest, to transmit to the Senate copies of all correspondence of the Department of State with the German Empire with reference to American insurance companies," has the honor to report as follows:

A large part of the correspondence with the German Government in regard to the exclusion of American life insurance companies from doing business in Prussia is found in printed form in House Document No. 247, Fifty-fourth Congress, first session, a copy of which is hereto annexed. It is also reproduced in full selection in the Foreign Relations of the United States, 1895, pages 428 to 453.

Copies of all correspondence with the German Government since the

date of House Document No. 247 are herewith appended for transmission to the Senate in answer to the foregoing resolution.

Respectfully submitted.

RICHARD OLNEY.

DEPARTMENT OF STATE,
Washington, February 19, 1897.

List of papers.

House Document No. 247, Fifty-fourth Congress, first session.
Mr. Jackson to Mr. Olney, No. 469, February 8, 1896, with inclosure.
Mr. Olney to Mr. Jackson, No. 553, February 26, 1896.
Mr. Jackson to Mr. Olney, No. 488, February 28, 1896.
Mr. Jackson to Mr. Olney, No. 507, March 19, 1896.
Mr. Uhl to Mr. Olney, No. 57, June 3, 1896.
Mr. Olney to Mr. Uhl, No. 93, June 22, 1896.
Mr. Uhl to Mr. Olney, No. 101, August 5, 1896, with inclosure.
Mr. Uhl to Mr. Olney, No. 108, August 12, 1896, with inclosure.
Mr. Adee to Mr. Uhl, No. 143, August 21, 1896.
Mr. Uhl to Mr. Olney, telegram, November 28, 1896.
Mr. Uhl to Mr. Olney, No. 224, December 24, 1896.
Mr. Uhl to Mr. Olney, No. 251, January 23, 1897.
Mr. Uhl to Mr. Olney, telegram, January 25, 1897.
Mr. Uhl to Mr. Olney, No. 257, January 28, 1897.

[House Document No. 247, Fifty-fourth Congress, first session.]

To the House of Representatives:

I transmit herewith, in compliance with the resolution of the House of Representatives of February 1, 1896, a report from the Secretary of State, with copies of the correspondence of record in the Department of State in relation to the exclusion of life insurance companies of the United States from transacting business in Germany.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, February 17, 1896.

The PRESIDENT:

The Secretary of State, to whom was referred the resolution of the House of Representatives of February 1, 1896, requesting the President, "if not incompatible with the public interests, to transmit to the House copies of all correspondence between this Government and the Government of Germany relating to the exclusion of life insurance companies of the United States from transacting business in Germany," has the honor to lay before the President copies of the correspondence of record in the Department of State in relation to the subject of said resolution.

RICHARD OLNEY.

DEPARTMENT OF STATE,
Washington, February 15, 1896.

Correspondence between the Department of State and the United States Ambassador to Germany.

From the Department, telegram, May 6, 1895.
From the Department, No. 313, June 4, 1895 (1 inclosure).
From the Department, telegram, June 8, 1895.

To the Department, No. 273, June 11, 1895.
 From the Department, telegram, June 15, 1895.
 To the Department, No. 300, July 12, 1895 (2 inclosures).
 To the Department, No. 328, August 7, 1895 (1 inclosure).
 From the Department, telegram, August 20, 1895.
 To the Department, No. 345, August 22, 1895 (1 inclosure).
 From the Department, telegram, August 29, 1895.
 To the Department, No. 352, August 31, 1895 (1 inclosure).
 From the Department, telegram, September 5, 1895.
 To the Department, No. 371, September 21, 1895 (1 inclosure).
 From the Department, No. 487, December 7, 1895 (1 inclosure).
 From the Department, No. 490, December 7, 1895.
 To the Department, No. 432, December 18, 1895.
 From the Department, No. 499, December 19, 1895 (2 inclosures).
 From the Department, No. 510, January 3, 1896 (1 inclosure).
 To the Department, No. 445, January 5, 1896.
 To the Department, No. 446, January 6, 1896.
 To the Department, No. 456, January 19, 1896.

Mr. Uhl to Mr. Runyon.

[Telegram.]

DEPARTMENT OF STATE,
 Washington, May 6, 1895.

RUNYON, *Ambassador, Berlin:*

Am informed that on April 27 Mutual Life Insurance Company of New York was notified to conform to certain stipulated Prussian methods within fortnight on pain of cancellation of concession. It is represented that company's methods in Germany are unchanged since concession was given some nine years ago; that they are uniform as to United States and all foreign countries, and that it is impossible to frame a special system for use in Prussia. Ascertain unofficially whether the German Government will further investigate the methods of American life insurance companies with a view of modifying the ultimatum, and in the meantime suspend its operation.

UHL, *Acting.*

Mr. Uhl to Mr. Runyon.

No. 313.]

DEPARTMENT OF STATE,
 Washington, June 4, 1895.

SIR: Referring to my telegram of the 6th ultimo, I inclose herewith for your information a copy of the memorial addressed on the 31st ultimo to the President by Mr. Richard A. McCurdy, president of the Mutual Life Insurance Company of New York, in relation to the present situation of that company in Prussia.

From the memorial it appears that the company was granted a concession in 1886 to do business in Prussia, in pursuance of which and in the confidence of maintaining a permanent relation in that country, it established a main branch in Berlin, invested \$400,000 in the purchase of a building, and incurred large expenses in other transactions incident to the opening of a large business in a foreign country; that since the date of its establishment in Prussia there has been no alteration in the methods of business or in the forms of policy employed by the company; that, complying with new requirements that have been in the meantime imposed, it has made a deposit with the Prussian Government of more than \$500,000 worth of Prussian consuls, represent-

ing one-half of all its receipts from its Prussian business; that it has made every effort to conform to the wishes of the Prussian Government as to its reports and every other detail connected with its methods. It further appears that certain conditions are now sought to be imposed with which it is impossible for the company to comply, and, as a consequence of such noncompliance, the company is threatened with summary expulsion from Prussia.

However clear may be the strict right of each State to determine the conditions on which it will permit foreign corporations to carry on business within its jurisdiction, there prevails in such matters a comity which it is the interest of all nations to maintain, and which is well illustrated in the freedom and equality with which foreign corporations are permitted to extend their operations to the United States. There is ground for the belief that the necessary result of the course lately adopted by the Prussian authorities in respect to the Mutual Life Insurance Company would be to give to the beneficent principle of comity a restricted and uncertain operation. Under the circumstances, the President is of the opinion that the subject is one proper for presentation through the present diplomatic channels, for consideration in all its aspects by the Royal Government of Prussia and by the Imperial authorities as well, so far as the latter may have jurisdiction in the premises.

The requirements of the Prussian Government of which the company complains are particularly set forth in the memorial.

It is desirable that the difficulties under which the company is now laboring in Prussia should be fully comprehended and equitably adjusted, and to that end you are instructed to use your good offices.

Mr. Emory McClintock, the actuary of the company, expects to be in Berlin about the 20th of the present month, and you are authorized to confer with him in regard to the matter under consideration. It is suggested that you defer the presentation of this subject to the German Government until the arrival of Mr. McClintock.

I am, etc.,

EDWIN F. UHL,
Acting Secretary.

[Inclosure in No. 313.]

Mr. McCurdy to the President.

PRESIDENT'S OFFICE,
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK,
May 31, 1895.

The PRESIDENT.

SIR: As president of The Mutual Life Insurance Company of New York, I beg leave to lay before you, with a view to obtain the friendly interposition of our Government in behalf of an imperiled American interest, a statement as to the embarrassing and uncertain position into which this company has suddenly been forced in the Kingdom of Prussia by the recent action of the authorities of that country.

In presenting this petition, I beg to point out that we are not invoking the aid of our Government for the purpose of obtaining any privileges other than those which we now enjoy, or of overcoming legal requirements to which we are justly liable. Our appeal to you is simply for what we claim to be justice and fair treatment.

In the various foreign countries in which this company prosecutes its business it has always pursued the same policy as that which it has followed at home—of complying cheerfully with the local laws and regulations, seeking only equality of treatment, and relying upon its own enterprise, the advantages it offers to the insuring public, and its own high reputation for the increase of its business. It is asking at the hands of the Prussian authorities only the same tolerance as is extended in

the United States to the many foreign corporations which are now engaged in the transaction of business in this country.

It is nearly nine years since this company entered into business in Prussia, under a concession or license issued by the minister of the interior of that country on the 16th of November, 1886. Before granting this concession, the Prussian Government made an exhaustive examination into the charter and the by-laws of the company, and into its methods of business and financial standing. For this purpose there were furnished to the Government, in addition to its charter and by-laws, the company's statements for the years 1884 and 1885 legalized by the Imperial German consul, the company's instructions to general agents, forms of all policies in use by the company, a paragraph making the policies subject to the Prussian law, the phraseology of which was prescribed by the authorities, and an allegation of domicile in Berlin; also a full and complete power of attorney to the general manager to make all contracts of insurance binding by his signature in Berlin, premium rate books, and explanation of policy contracts and application forms for all classes of policies; and the same were submitted to the privy councilor, Von Forch, for his approval.

Formal application for the concession was lodged with the minister of the interior on August 12, 1886, although the preliminary application for obtaining the same had been made in the previous April, and negotiations had been pending during the entire interval. After the formal application for the concession to the Government, the secretary of the interior made inquiries of the minister of foreign affairs as to the standing of the Mutual Life. The minister of foreign affairs then applied to the ambassador of the German Empire in Washington for further information concerning the company, and finally, on November 16, 1886, the concession was granted.

Thus it appears that while the Prussian Government was informally considering our application for a concession for between three and four months before the same was formally applied for, which application manifestly would not have been formally made unless the impression had been conveyed to our representatives that the same would be granted, the officials of the Prussian Government consumed a further period of upward of three months in satisfying themselves as to the propriety of our contract obligations and the standing of the company before the concession was finally made.

It is fair to presume that the Prussian Government exercised in this matter due deliberation, and made most careful examination before deciding upon its action.

Believing that the concession so granted was a thing of value and of enduring quality, and reposing confidence in the good will of the Prussian Government, my company, in conformity with the conditions imposed upon it, established a head office in Berlin and proceeded to incur a very considerable expense for the general establishment of the business in the kingdom. In similar reliance upon the good will of the Government, and in the permanency of its concession, it thereafter purchased a lot of ground, with a suitable building thereon, in Berlin, at a cost of \$400,000, for the transaction of its business. Indeed, although the company had previously, and has since, been doing business on a large scale in Great Britain, France, Austria, Italy, Belgium, Holland, Denmark, Norway, Sweden, and other European countries, it chose its Prussian branch as the one best fitted for this mark of confidence, and up to this day it owns no office building in Europe other than that in Berlin.

The company also constituted agencies in various parts of Prussia, with much trouble, and at considerable expense, such as naturally and necessarily attend the opening of transactions with a great foreign people, transactions prospectively large in total volume, though of small amount individually, and therefore numerous and widely distributed.

It should be observed at the outset that in the prosecution of this particular business the outlay falls most heavily on the first and earlier years. Agents are compensated by a comparatively large commission on the first annual premiums and by a diminished commission on those of subsequent years, usually for a limited term, while the premiums of later years are generally free from any expense beyond a small banker's charge for collection. In other words, the continued payment of premiums through a series of years at a diminished cost serves to recoup the company for the large initial expense of procuring the business, and it is essential that these subsequent premiums should continue to be so paid to effect that result. If, therefore, the company is forced to abandon its business, its initial outlay is wasted and can never be recovered.

In our own country, where the character and standing of the company is well known, few preliminary expenditures are necessary. The agent is supplied with a few blank forms and explanatory documents, and that is all. His compensation flows from his success in obtaining business and is greater or less in proportion to his success or failure.

But in countries foreign to us, where this company is the foreign company, and the insuring public must be educated as to its character and standing before any business can be obtained, the preliminary expenses are vastly enhanced. The agent

must be compensated by a fixed salary pending the actual beginning of successful effort. Offices of a character suitable to the dignity of the company, which here are unnecessary, must be rented and furnished. Other expenses of installation, in the nature of allowances for advertising, traveling, and miscellaneous outfit, must be incurred, all of which add to the charge which must be refunded by the future continuance of the payments of the insured.

While, therefore, even in our own country a sudden interruption to or stoppage of the business would entail appreciable loss, indeed, in a foreign country such an interruption or stoppage works an enormously increased and, in fact, irreparable injury. It may be asked why do we as a mutual company thus go abroad for our business, when, if average results were to be anticipated, the foreign business, costing more at the beginning, would be less advantageous than that which we do at home. The answer is that, owing to the different social and economic conditions which prevail respectively in old and comparatively new countries, the degree of persistency of payment is greater in the older countries than it is in the relatively new countries, and it is the knowledge of this fact and the reliance upon this trait of the older civilizations which justifies the greater initial outlay. But by so much the more is it essential that the business in the older countries should be unhampered and unrestricted.

By a certain clause in its Prussian concession, the company was required to submit to the Prussian Government, for approval, every alteration which might be made in its charter or by-laws, before acting on such alteration in Prussia.

In obedience to this requirement, the company in 1891 submitted to the Prussian Government for approval two changes which the trustees had made in its by-laws. These changes were, (1) that the appointment of agents of the company was vested in the president instead of, as formerly, in a committee; and (2) that the office of general manager, necessitated by the large increase of the company's business, was created.

It will be observed that these changes were purely administrative and were designed merely to increase the company's efficiency. They in no wise affected its policy or the principles on which it conducted its business. These remained precisely as they were five years previously when the company was licensed to enter Prussia, and in the intervening time the company's business had exhibited that steady and healthful increase which has characterized its whole existence of more than fifty years.

In dealing with these simple administrative amendments of the by-laws, the Prussian authorities first manifested a change of attitude toward the company, and began to make exactions which have been multiplied and hardened till the company now finds itself suddenly threatened with expulsion from Prussia unless it complies with a late requirement which it is impossible for it to perform.

The Prussian Government approved the changes in the by-laws, but only on condition that the company should in the future invest one-half of its receipts in Prussia in Prussian consols, which should be deposited with the Government, and which should not be disposed of without the consent of the minister of the interior.

Had the company been required in 1886 to invest half the receipts of its Prussian business in Prussian consols, which bear low rates of interest, it probably would not have entered Prussia; but, having incurred all the expenses and having devoted so much time, trouble, and applied skill to the establishment of its business there, having entered into binding contracts with agents, solicitors, and inspectors for terms of years running into the future, and having made other obligations, all of which it was bound to fulfill whether it remained in Prussia or not, it was confronted with the alternative of yielding to an unwelcome condition or of abandoning and sacrificing the work of years and its incidental expenditure.

There was no logical connection between the changes made in the company's by-laws and the new requirement on which their approval by the Prussian authorities was made conditional. But, as the result of the connection artificially established between them by the authorities, The Mutual Life Insurance Company was placed in the position of being the only foreign company in Prussia upon which such a requirement was imposed.

To the representations made by our general agent at Berlin as to the injustice of this proceeding, the Prussian Government responded by extending the requirement to all foreign life insurance companies, and by exacting compliance with it on pain of expulsion, though the original terms of the requirement were modified by permitting investments to be made in German Government bonds as well as Prussian consols. But a prayer for permission to invest in mortgages prescribed for the investment of the moneys of minors—the equivalent of what is known in this country as the funds of executors and trustees—was denied; and the foreign companies were thus placed at a disadvantage with the home companies, which are allowed to invest their moneys in such securities as they may consider most desirable and most productive.

While in case an asset should fall in market value below its cost, the company would inevitably and properly be compelled, not only by the Prussian Government but by every other State and national authority, to quote it at its market value, it

seems quite incongruous that where the value rises the company should be denied the credit of it.

Though this company, without any change in its character, or its conduct, was thus subjected to a new and onerous requirement, for the reasons stated, it reluctantly decided to comply with the order, and deposits of Prussian securities were accordingly made, which have been increased from year to year till the sums now invested and thus placed beyond the control of the company amount to more than \$500,000, all of which was invested upon the faith of the Prussian Government and as an inducement to it for its continued permission to transact our business in the realm.

On the 8th of March, 1892, the minister of the interior issued a new decree which required all annual statements of life insurance companies to be made in a particular form and in great detail, and which, while it purported to operate on German and foreign companies alike, operated generally to the disadvantage of the foreign companies and in some respects especially to the disadvantage of this company.

In this decree the Prussian Government embodied a rule which permits no item in the assets of a company to be stated above its original cost. No reason for this requirement has ever been presented beyond the fact that it is a Prussian rule. But, though the small German companies can readily comply with it with little or no inconvenience, it operates most unjustly against this company. As I am informed and believe, the German companies invest largely in securities as to which there is rarely any considerable increase in value, owing to the greater plethora of money in financial centers and the more fully developed condition of the countries in which such securities are issued. In case of a moderate advance in value, it is easy for them to sell such securities, realize in income the difference between cost and sale, and by a simple repurchase again enter them upon their books at their enhanced value; and for this they obtain credit in their reports to the Government. But in a country like this, the United States of America, there is a constant output of new securities based upon enterprises and activities in process of development. The enormous extent of the country, and the demand of its people for new railroads and extensions of existing lines; for public improvements, such, for example, as the erection of court-houses, the building of jails, waterworks, schoolhouses, city halls, bridges, railway termini, and electric installation, both for illumination and traction, secured by town, county, corporate, and municipal obligations, create a constant market for money to be used for investment; and these investments, if carefully and judiciously made, rise often very greatly in value and constitute a large proportion of the profit of the investor. There is no parallel to this state of things on the Continent of Europe. And yet, the Prussian Government, because there is no parallel there, deprives this company of the legitimate result of its conservative foresight under conditions peculiar to its own country, and compels it to publish to the world that its assets are worth only their cost, when the daily quotation of every stock exchange disproves the statement.

This company holds securities to the value of many millions of dollars, a large portion of which were purchased years ago at prices much lower than those at which they could be sold to-day in the open market; and neither the extent of the company's business, which necessitates the seeking of new investments for its increasing funds, nor sound business principles would admit of its selling old and approved investments and reinvesting the proceeds merely for the purpose of swelling the cost value of its assets.

The company has now been compelled in three annual reports to comply with this highly unjust and injurious requirement. With the exception of Prussia, there is no state or government within whose jurisdiction this company does business which requires it to make only a partial statement of the actual amount of its assets and thus to publish what is in fact a libel upon itself.

But there is in the decree a paragraph which, though properly not applicable to this company, the authorities have sought to apply to it, but with which the company has not complied because it was impossible to do so; and for its failure in this regard the company is threatened with expulsion from Prussia. To this feature of the case I now beg to invite your attention.

The paragraph in question (paragraph 8, Article IV) is as follows:

“Gewährt eine Gesellschaft ihren Versicherten Antheil an dem Gewinne nach dem sogenannten Tontinensystem—(hierher gehören insbesondere alle diejenigen Systeme der Gewinnvertheilung bei Todesfall-Versicherungen, bei welchen der auf eine bestimmte Versicherungsgruppe fallende Gewinn während einer Periode von mindestens drei Jahren angesammelt wird und am Ende der Periode auf die dann noch bestehenden Versicherungen der betreffenden Gruppe zur Vertheilung gelangt)—so darf sie die verschiedenen Tontinen-Gruppen nicht in einer gemeinsamen Masse verwalten und aus dieser Masse bei der planmässigen Vertheilung der Gewinne aus den Tontinen einen Theil ausscheiden; sie ist vielmehr verpflichtet, in jedem Rechnungsjahre alle diejenigen Tontinen-Versicherungen, welcher einer und derselben Tontinengruppe mit gleicher Gewinnansammlungs-Periode angehören, als eine gesonderte Einrichtung

zu verwalten und für jede solche einzelne Tontinengruppe im Jahresberichte jedes Rechnungsjahres getrennte Nachweise über folgende Punkte zu veröffentlichen," etc.

"If a company secures to its policy holders participation in profits according to the so-called tontine system (to this belong particularly all those systems of participation in profits insurance against death, by which the profits accruing upon any given insurance group are accumulated during a period of not less than three years and belong at the end of the period to the surviving policies of the group in question for division among them), it must not carry on the various tontine groups in one common fund and separate apart from this fund when the time arrives, according to the plan, for the distribution of profits from tontines; but it is, on the other hand, obliged, in each calendar year, to carry on in a separate account all these tontine insurances."

Taking this paragraph simply as it stands, the natural construction of it would be that its object was to compel companies doing a tontine business to keep and publish their accounts in accordance with their system. The Mutual Life Insurance Company, however, is not and never has been a tontine company, and to require it to make reports such as the Prussian authorities have demanded of it, in accordance with the tontine system, is to exact what is impossible, unless the company could convert itself, retroactively as well as prospectively, into a tontine company, which is also obviously impossible.

The tontine system is peculiar and complicated. Under it, all policies issued in a certain year, receiving dividends after ten years, form one group. Those issued in the same year, receiving dividends fifteen years from date, form another group, and so on. The next year a new set of groups is started, and account is in every case taken of each group as if such group composed a separate company. If as to one group there are unusual expenses or an unusually heavy mortality, the surplus arising in that group is greatly diminished, and the dividends to the survivors of the group are correspondingly small. On the other hand, if in any group the expenses are small or the mortality is slight, the dividends in that group become correspondingly great.

This is the tontine system as known to the few German companies which practice it.

The essential peculiarity of this system, which is necessarily disclosed in its book-keeping, is that a separate set of accounts is all the time kept running against every so-called group in existence.

The system pursued by the Mutual Life Insurance Company is essentially and totally different. No policies are made forfeitable as on the tontine plan, as that plan is understood in this country, and no separate accounts or funds are kept running for any class of policies.

The system pursued by the Mutual Life Insurance Company is that of distributing annually among the policy holders who are entitled to receive dividends an amount of the surplus appropriated for the purpose by the board of trustees. Many of the company's policies issued in its earlier years are entitled to receive dividends annually. Some, issued by special agreement at reduced rates, receive no dividends whatever. Others, again, by special agreement, receive dividends once in five years, while others receive their first dividend at the end of a period of ten, fifteen, or twenty years from the date of the policy, and annually or quinquennially thereafter. Each policy holder on entering has his choice among these different methods, as to which no change has been made since a period prior to the granting of the concession by the Prussian Government.

When the amount of the dividend during the coming calendar year has been fixed by the appropriation of the board of trustees, the actuary ascertains, first, what policies are entitled to participate in that year. This list comprises, first, those receiving annual dividends; secondly, those receiving quinquennial dividends, and dated five years since, or at some earlier period measured by a multiple of five; thirdly, those receiving their first dividend after ten years, dated ten years since, and so on. It is the duty of the actuary to deal with each policy entitled to a dividend in accordance with the well-known contribution plan for the division of the surplus, introduced by this company in 1863 and since adopted substantially by all American companies, as well as by various companies in foreign countries. Under this plan, account is taken of all the circumstances affecting each policy since the last period at which it received a dividend (or since its date if no dividend has yet been received) and an estimate is made of that portion of the company's divisible surplus derived from the premiums of the policy during the period in question. Since in any given year there are many policies which are not entitled at that time to a dividend, there is necessarily at all times in the hands of the company a large volume of undistributed surplus. This is the well-known and long-standing system of dividends pursued by this company.

Under this system the basis of distribution is the individual policy. Each policy issued by the company constitutes a separate contract with the holder, which the company is legally bound and abundantly able to perform, according to its terms. There are no separate groups into which policies are segregated for purposes of

special profit and special risk apart from the other policies of the company, and in respect to which separate accounts must consequently be kept running. It necessarily follows that the company can not formulate a report on the tontine plan.

Indeed, the very terms in which the paragraph in question is couched would exclude this company from its operation if it were not for the peculiar parenthetical clause, which, as it is construed by the Prussian authorities, would seem to have been designed for the specific purpose of making the requirement as to tontine companies applicable to a nontontine company, such as The Mutual Life Insurance Company, merely on the ground that the latter, though it has no tontine groups, issues policies on which dividends are postponed for a period of three years or upward. In other words, so incongruous is the requirement in its application to this company that it has not been possible to express it except in terms which arbitrarily impute to the company a system wholly different from that on which its business is actually conducted.

It should be apprehended that two principal factors enter into the application of the science of life insurance. These are the law of the average duration of human life deduced from tables showing the number of individuals living and dying at each age, and the law of the accumulation of money at compound interest during a long series of years. This company maintains that the best, if not the absolutely and solely true, realization of the workings of the law of the average duration of human life, results from spreading the experience of the company over the largest possible number of lives in being, in which it is in direct antagonism to the tontine practice, which limits the observed lives to the aggregate of the numerically small number forming the separate classes. This company also maintains that the best, if not the absolutely and solely true, realization of the law of the accumulation of money at compound interest, results from such accumulation for the longest periods of time practicable, in which it is also in direct antagonism to the practice of the tontine system sought to be applied, i. e., the distribution of surplus after periods of three years and upward.

It is to be noted, therefore, that the Prussian Government threatens to expel this company, first, for not doing what it can not do, and second, for not doing what, if it could do it, could only be done by a violation of the principles of which it is the most staunch upholder and advocate; while it must be assumed that the Prussian Government in granting its concession fully comprehended both these underlying principles of its business. It is impossible even to suggest that the experts employed by the Government in its long and minute examination did not understand. But, notwithstanding this presumption, the matter has been repeatedly explained to the Prussian authorities, and was fully covered in the company's annual report and balance sheet of 1893.

However, there seemed to be a disposition on the part of the authorities, while admitting that this company could not make such a report as is required of tontine companies, to insist, in spite of all explanations, upon calling some of the forms of policy used by this company "tontine insurance," and the company offered, although for the reasons stated not favoring that class of insurance, from a day to be fixed by the Government, to issue only policies with annual distribution periods. And lastly, the company offered to permit an expert, duly authorized by the Prussian Government for the purpose, to visit its head office, to examine all its books in New York, to submit every record and document to his inspection, to pay all his expenses, and, if the same should be considered admissible by that Government, to pay such expert a suitable compensation for his services.

As these various offers remained unanswered, the company concluded that if it had not finally satisfied the authorities the matter had been dropped and that it would not be subjected to further exactions.

But on the 27th of April last the company was astonished to learn, by a cable from its general manager in Berlin, that the Government had suddenly demanded the resignation of its concession within a fortnight, on pain of expulsion from Prussia.

To this notification the company responded that it would not retire from Prussia voluntarily; that it had not, since entering that country, changed its methods of business; that it had, to the best of its ability, endeavored to comply with every requirement and wish of the Government; and that if the Government desired to drive it out it must itself take the step of canceling its concession.

Since that time, through the kindly intervention of our Government, the Prussian authorities have extended the period of grace till the 15th of July next.

From the facts above detailed there is too much reason to apprehend that the Mutual Life Insurance Company will be expelled from Prussia on the date last mentioned, unless the Government of the United States shall interpose to prevent it. It is not my intention to impute to the high officials of the Prussian Government a conscious unfriendly purpose toward this company as an American institution; but it is clear that the spirit of opposition displayed by home companies, and not infrequently finding expression in the native press, is at least partly responsible for the

difficulties which this company has encountered in its late dealings with the Prussian officials. Indeed, I am informed that persons interested in home companies have counseled the Government, in the character of experts, as to the demands which have been made upon this company; and, while these persons have by no means always concurred in their opinions, it is to the erroneous advice given by some of them that may doubtless be ascribed the insertion in the paragraph which has been quoted, from the decree of 1892, of the parenthetical clause which, as interpreted by the Prussian officials, has the effect, against which this company has always protested and must continue to protest, of placing it in the category of companies that maintain separate groups for which separate accounts are kept running.

In this relation it is proper to advert to the fact that the insurance departments of the various States of this Union have for many years made the following inquiry of each company: "Does your company issue any policies in which the tontine principle is to be applied in making dividends thereon?" To this inquiry this company has responded annually as follows: "No policies are made forfeitable, as on the tontine plan. No separate funds or accounts are kept running for any class. When, at the end of a distribution period, a share of surplus is allotted to any policy, all equities are considered." This response has always by every State been accepted as a correct statement of the company's system, with which the officials are, of course, entirely familiar.

As before set forth, to establish a life-insurance business in a foreign country, requires a large proportion of expenditure at the beginning, a part of which must necessarily prove to be a dead loss unless the business as established is permitted to continue. The contracts of a life-insurance company endure through many years, and facilities must be afforded to policy holders for carrying out all transactions connected with their policies. For this reason, although this company has in force in Germany to-day insurance amounting to about 71,000,000 marks, and is probably doing more business than all the German companies together, yet its business up to the present time can not be considered as ultimately profitable, unless it shall be supplemented by additional business in the future, to be secured by the staff of agents established and trained since the inception of our work in that country.

The Mutual Life Insurance Company has not assumed to question the strict legal right of the Prussian Government to cancel its concession in that country. It thoroughly comprehends the situation. Like other corporations, it can not claim the right to enter into and remain in foreign countries against the will of the Government. But it respectfully urges that there are elements of justice and equity in its cause which can not be disregarded without seriously impairing that comity under which approved and reputable business associations of foreign origin are permitted to continue in business in the United States as well as in other countries. However clear and express may be the strict right of expulsion in such cases, it ought not to be exercised except upon reasonable grounds and with a due regard to the interests of those who have, on the faith of voluntary concessions, been led to invest their means in the full and justifiable expectation that, so long as they should continue properly to conduct the business which they were licensed to engage in, they would not meet with any governmental prohibition.

If for this just and salutary principle there shall be substituted an arbitrary rule of action, promotive of no other object than the exclusion of American life-insurance companies, it is not difficult to foretell that the results will be very far reaching and will not be confined to one branch of business.

Let me also point out another consideration which should, in my judgment, lead the Prussian Government to a more considerate course of action. If this company be forced out of Prussia a stigma will be cast upon its reputation, not in Prussia alone but in all the other countries of the Continent. In Prussia the sole fact of our exclusion will forthwith sow doubt and distrust in the minds of those already holding our policies and these will be surrendered in great numbers wherever they are held by healthy subjects. These will seek new insurance elsewhere, but the impaired lives, which can gain no such indemnity in other companies, will persist. This change in our membership must abnormally increase the death rate, while depriving us of the contributions of the healthy members toward sharing the losses—a participation which is fundamental in all conceptions of the business. Again, it will be still necessary for us to maintain business offices and clerks and agents for the collection of the premiums on these antecedently issued policies and to pay the death claims as they thereafter mature. Our expenses will, therefore, not be materially diminished, and these, added to the greatly enhanced ratio of death losses, may produce a most disastrous and wholly undeserved effect on the general business of the company.

I think it possible, moreover, that there is one view of the case which has not yet received the consideration of the Prussian minister of finance. Under the requirement of 1891, above cited, one-half of all the premiums collected by the company must now be invested in German securities. Since that date the amounts so invested have reached the considerable sum of 2,250,700 marks, and in the natural course of a

continued business the same must go on in an increasing ratio. The Government has thus forced this company to become a constant purchaser in its own markets of its own securities. Is it the policy of the finance minister to drive out of those markets such a purchaser?

The gravamen of our complaint is this: Lured by the granting of a free concession for the transaction of business in Prussia, after the thorough and protracted examination of all our methods, exercised by the Government authorities, we went to great expense and serious expenditure of time, skill, and effort to establish that business on a basis of anticipated permanency, which alone could make it profitable to the membership of the company at large. Lulled into security by the apparent friendliness of the Government, we invested our money on a like anticipation in a costly building in Berlin, which, if we are excluded from Prussia, will be useless for our purposes, and must be disposed of as best we may. Yielding to administrative pressure of an arbitrary and illogical nature, we made large investments in German securities, which we should have refused to make then and there had the Government at that time disclosed any purpose to make further exactions, and have placed those securities in the custody and control of the very authorities which now, in effect, destroy their only value to us by seeking to drive us from the country.

Had the Prussian Government intimated when it was considering our application for a concession that any such exactions would be made, we should have withdrawn our application. We can not believe that that Government fully apprehends or has maturely considered what we hold would be the great and unmerited injury its contemplated course will inflict. We do not believe it to be inconsistent, either with its dignity or with its reputation as one of the most enlightened Governments of the civilized world, to review this whole matter considerately and dispassionately, and to ask itself the question whether there is anything in the conduct of this company since its admission to Prussia to compel resort to so harsh and drastic a measure as some of its officials, unquestionably through an imperfect apprehension of the case, have sought to subject us to.

In conclusion, I beg to say that the specific relief which the Mutual Life Insurance Company desires at the hands of the Prussian authorities is the modification of its decree of 1892 in two particulars, as follows: (1) Either the suppression of the parenthetical clause in paragraph 8, of Article IV, or such an interpretation of it as will not ascribe to the company a system of insurance which it does not follow; (2) a modification of the requirement by which the company is compelled to make only a partial statement of the actual value of its assets.

In the hope that our Government may be able efficiently to intervene in the present case in behalf of the important American interest which this company represents, I have the honor to be, sir,

Your obedient servant,

RICHARD A. MCCURDY.

Mr. Uhl to Mr. Runyon.

[Telegram.]

DEPARTMENT OF STATE,
Washington, June 8, 1895.

The Department is informed that Prussian Government insists upon taking final action as to Mutual Life Insurance Company on June 15. Department had understood action would be deferred until July 15 to afford company further opportunity to be heard. Lengthy instructions were sent to you on June 4. Ask for further delay that promised opportunity may be afforded for making representations as instructed.

UHL, Acting.

Mr. Runyon to Mr. Olney.

No. 273.]

EMBASSY OF THE UNITED STATES,
Berlin, June 11, 1895. (Received June 28.)

SIR: I have the honor to report that immediately after receipt of your telegram of the 6th day of May last, stating that the State Department was informed that on April 27 the Mutual Life Insurance Company of New York was notified to conform to certain stipulated Prussian methods within a fortnight on pain of cancellation of concession, and

that it was represented that the company's methods in Germany are unchanged since the concession was given, some nine years ago, that they are uniform as to the United States and all foreign countries, and that it is impossible to frame a special system for use in Prussia, and directing me to ascertain unofficially whether the German Government will further investigate the methods of American life insurance companies with a view of modifying the ultimatum, and in the meantime suspend its operation, I gave attention to the subject and was informed that an extension of time until the 15th day of July would be given to the company. It proved, however, that in some way there was said to be some misunderstanding on the subject, and that the Government officials thought the extension given was to the 15th day of June and not to the 15th of July. On being informed of this I at once had a personal interview with the minister on the subject and the result was that he gave me his consent that the matter should stand according to my understanding of it, that is, that the company should have the further time (till the 15th of July) applied for. That consent is in the form of a note from him to me. It therefore has not been necessary for me to take any action in accordance with the direction of the telegram of instruction of the 8th instant on the subject, the necessity therefor having been obviated by my action taken previously to the receipt thereof. The result has been communicated by me to the representative of the company here, and has been or will be communicated to him by the minister also.

I have, etc.,

THEODORE RUNYON.

Mr. Olney to Mr. Runyon.

[Telegram.]

DEPARTMENT OF STATE,
Washington, June 15, 1895.

Transmit to McClintock copy memorial of president Mutual Life Insurance Company to the President.

OLNEY.

Mr. Jackson to Mr. Olney.

No. 300.]

EMBASSY OF THE UNITED STATES,
Berlin, July 12, 1895. (Received July 30.)

SIR: Referring to Ambassador Runyon's dispatch of the 11th ultimo (No. 273), I have the honor to report on the present condition of the affairs of the Mutual Life Insurance Company of New York in Prussia.

At the time of the ambassador's departure from Berlin a memorandum—which had been prepared with the assistance of Mr. McClintock, the actuary of the company, and which embodied the principal points of the memorial dated May 31 last, addressed to the President by Mr. McCurdy, the company's president, and transmitted as an inclosure in the Department's instruction, No. 313, of the 4th ultimo—was under consideration by the Prussian Government. The ambassador had left this memorandum at the foreign office during an interview which he had had with the acting secretary of state for foreign affairs on or about June 27, and on July 3, when General Runyon called to inform Baron von Rotenhan that he was going on leave, no answer had as yet been received from the Prussian minister of the interior, to whom the memorandum had been referred.

On July 8, no answer having yet been received and as the date for the withdrawal of the concession was only a week off, I accompanied Mr. McClintock, at his request, to the ministry of the interior. There we had an interview with the acting minister, and learned that a reply to the memorandum had been prepared and would be transmitted to the embassy through the foreign office, and that as the United States Government had interested itself in the matter the concession would not be withdrawn on the 15th instant, but that the final decision would be reserved until the minister and the privy councillor having special charge of such matters had returned from their vacations, which would be about the middle of August, and that no steps would be taken toward the expulsion of the company from Prussia without due notice.

Mr. McClintock, however, preferred to make an attempt to obtain an earlier settlement of the case, and the same day addressed a letter to me (a copy of which is inclosed, marked inclosure 1) of which I left a copy with Baron von Rotenhan on the 9th instant, together with a memorandum (inclosure 2 herewith) which I had prepared and of which Mr. McClintock expressed his approval.

Baron von Rotenhan, after reading the memorandum, Mr. McClintock's letter to me, and the "suggestion" (written in German in the original) made by him, asked if he was to consider the request as coming from the United States Government. To this I replied that I did not feel at liberty to say that, but that as the embassy had been instructed to use its good offices in behalf of the company, I was sure that the United States Government would be gratified if the Prussian Government found itself in a position to arrange matters in a manner which should be satisfactory to the company's authorized representative.

It is not, however, to be anticipated that a decision will be reached for several weeks—until the return to their posts of the officers of the ministry of the interior—and during Mr. McClintock's absence, he having left Berlin to-day, I shall take no further step in this matter, unless instructed to do so, until a reply from the foreign office is received.

I have, etc.,

JOHN B. JACKSON.

[Inclosure 1 in No. 300.]

Mr. McClintock to Mr. Jackson.

BERLIN, July 8, 1895.

SIR: Several residents of Berlin who approve the principles of the Government concerning control of surplus held for terms of years tell me that the annexed suggestion would, in their judgment, be satisfactory to the Government. If it is adopted by the Government, the company will be content.

If the company is acknowledged to be strong and honorable (and the company invites and will pay the expense of an examination in New York by any Prussian or other expert whom the Government may send for that purpose), it would seem that restriction to plans of business approved by the Government must be sufficient atonement for its failure to report by groups when it carries on no groups.

Yours, etc.,

EMORY MCCLINTOCK,
Actuary of the Mutual Life Insurance Company of New York.

Proposition for most gracious consideration.

Instead of a withdrawal of the concession, as punishment for noncompliance with Section IV, 8, let it rather be ordered:

That any company which does not comply with the provisions of Section IV, 8—

(1) May issue no policies in Prussia, except with dividends which are payable annually.

(2) Where such a company publishes a statement showing the amount of its surplus, it should always state that only those policies which are in force at the time of striking the balance shall participate in the future dividends from the accrued surplus.

(1) The question of control will be settled per se as each policy receives its dividend annually.

(2) No person taking out a new policy could erroneously be made to think that he could draw benefits from the large surplus from former policies.

[Inclosure 2 in No. 300.—Shown to and approved of by Mr. McClintock and left at Foreign Office with Baron von Rotenhan, July 9, 1895.]

MEMORANDUM.

The inclosed copy of a letter—with annexed suggestion—has been received to-day from Mr. Emory McClintock, actuary of the Mutual Life Insurance Company of New York, who is at present in Berlin with full power to act for and in the name of the above-mentioned company. The "suggestion" is intended to take the place of any previous suggestion or proposal made, and it is Mr. McClintock's desire not to enter into any controversy based upon the memorandum left with his excellency Baron von Rotenhan, etc., by the American ambassador about two weeks ago, to which it is understood a reply has been prepared by the Royal Prussian ministry of the interior. This reply the Mutual Life Insurance Company is willing to accept without further discussion at this time.

At an interview which Mr. McClintock had on July 8, instant, he proposed leaving a copy of the "suggestion" now made with the officer in charge of the Prussian ministry of the interior (Director Hasse), but that officer stated that he would prefer to receive the same through the Imperial foreign office.

The Mutual Life Insurance Company is very desirous of continuing to do business in Prussia, its only building in any European city being situated in Berlin, and it is anxious to conform to the Prussian regulations in so far as its present business system allows, or by making changes in the Prussian business which would not operate to its serious detriment elsewhere.

Mr. Jackson to Mr. Olney.

No. 328.]

EMBASSY OF THE UNITED STATES,
Berlin, August 7, 1895. (Received August 26.)

SIR: Respectfully referring to my dispatch, No. 300, of the 12th ultimo, I have the honor to transmit herewith a copy, with translation, of a memorandum to-day received from the foreign office in reply to that left by General Runyon, in compliance with the Department's Instruction, No. 313, of June 4 last. A copy of this memorandum has been sent to Mr. McClintock, of the Mutual Life Insurance Company of New York, but it is understood that no discussion of it is to take place for the present, at least until after a reply to the memorandum left by me with Baron von Rotenhan on the 9th ultimo has been received.

I have, etc.,

JOHN B. JACKSON.

[Inclosure in No. 328.—Foreign Office.]

PROMEMORIA.

At the commencement of the year 1890, detailed instructions were issued by the Prussian minister of the interior regarding the manner in which the accounts of insurance companies—both domestic and foreign—should be rendered. These regulations have been complied with by all the life insurance companies holding concessions in Prussia, with the exception of the American, Mutual, Equitable, and New York Life Insurance companies. The regulations issued refer, among other things, to the manner in which the accounts are to be rendered regarding tontine business. The assertion of the Mutual that it does no tontine business is contradicted by competent experts. As the Mutual does not think that it is able to comply with the provisions as to the manner of rendering its accounts, the withdrawal of its concession is threatened. On the strength of the memorandum which was presented by his

excellency Ambassador Runyon on June 26 last, the minister of the interior has again had the matter investigated; as the result of this investigation, he does not find himself in a position to revoke the injunction placed upon the Mutual to refrain from issuing new insurance policies in Prussia; in the contrary case the withdrawal of the concession would necessarily ensue.

No reply has as yet been received at the foreign office to the memorandum presented by the chargé d'affaires on the 9th ultimo, which, with its inclosure, has been referred to the minister of the interior.

BERLIN, *August 6, 1895.*

Mr. Adee to Mr. Runyon.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 20, 1895.

Department informed that the Prussian Government on 16th instant, in advance of expected discussion, revoked concession Mutual Life Insurance Company, to take effect September 1. If this report be correct, you are instructed strongly to represent injustice of proceeding in view of our previous representations and of the willingness of company to confine business in Prussia to plans approved by the Government.

ADEE, *Acting.*

Mr. Runyon to Mr. Olney.

No. 345.]

EMBASSY OF THE UNITED STATES,
Berlin, August 22, 1895. (Received September 4.)

SIR: I have the honor to report the receipt of the following cipher telegram from the Department of State yesterday:

RUNYON, *Ambassador, Berlin:*

Department informed that the Prussian Government on 16th instant, in advance of expected discussion, revoked concession Mutual Life Insurance Company, to take effect September 1. If this report be correct, you are instructed strongly to represent injustice of proceeding in view of our previous representations and of the willingness of company to confine business in Prussia to plans approved by the Government.

ADEE, *Acting.*

In accordance with the instructions thereby given, I without delay asked Baron Marschall von Bieberstein, the Imperial secretary of state for foreign affairs, for an interview in reference to the subject, which he accorded immediately.

In the conversation, which was of considerable length, I made strong representations against the proceedings referred to in the instruction. I had previously—on the day before—taken occasion to bring the subject before him, but at that time was without instructions from the State Department on that particular head. I may remark that in the previous interview which, under instructions, I had at the foreign office as to the company (report of which has already been made), Baron von Marschall was not in charge, but was absent on his vacation. In the conversation yesterday he at once promised to take up the matter, and I have reason to expect that he will without delay examine into and consider it.

On the same day after my interview I sent to Baron von Marschall the note (a copy of which is inclosed) which I had in course of preparation when his reply to my request for an interview was received.

I have, etc.,

THEODORE RUNYON.

[Inclosure in No. 345.]

*Mr. Runyon to Baron Marschall von Bieberstein.*EMBASSY OF THE UNITED STATES OF AMERICA,
Berlin, August 21, 1895.

The undersigned, ambassador, etc., of the United States of America, has the honor to inform his excellency Baron Marschall von Bieberstein, imperial secretary of state for foreign affairs, that on or about June 27 last, acting in accordance with instructions from his Government, he presented to the imperial foreign office the representations of The Mutual Life Insurance Company of New York with regard to certain requirements made of it by the Prussian authorities under penalty, on non-compliance, of withdrawal of the concession granted to the company to do business in Prussia. To the memorandum then left with the foreign office, which contains a statement of the matter, the undersigned begs to refer. Subsequently and on the 9th of July last another communication was made to the foreign office by the embassy on the same subject, to which, also, reference is hereby made.

The undersigned is informed that the representatives of the company, its counsel and actuary, who came from the United States and who were anxious to be heard in behalf of the company in order that they might if possible prevent the withdrawal of the concession, made application to his excellency Mr. von Koller, the Prussian minister of the interior, for such hearing. On the 7th of July last the following reply was sent them:

"His excellency Minister von Koller directs that the following answer to your telegram of yesterday's date be sent: 'Privy Counsellor von Knebel enters upon his leave of absence within a few days and will return to Berlin on the 18th of August next. It rests with you to acquaint Mr. von Knebel during his absence with the necessary facts or to await his return to Berlin.'"

The undersigned is informed that on receipt of this communication the representatives of the company referred to informed the office of the minister of the interior of Prussia, in substance, that they were at the disposition of Mr. von Knebel and would go anywhere to see him. Receiving no reply to this, they waited, expecting to see him after his return on the 18th of August. On the 16th of August they, to their great surprise, received a notice dated the 14th of that month, that the concession was revoked and that the company must do no new business in Prussia after the 1st day of September next. It will be seen that, according to the foregoing statement, the company had a right to believe that the desired opportunity to present this subject to the authorities, which its representatives had anxiously sought, would be accorded and that they would be heard in its behalf in this matter of so great importance to its interests, on the return of Mr. von Knebel to Berlin. On the contrary, however, an order withdrawing the concession was, without hearing them, made two days before the time fixed for his return.

The undersigned, under instructions from his Government, represents to his excellency the injustice of the proceeding complained of, especially in view of the representations heretofore made, above referred to, and of the expressed willingness of the company to confine its business in Prussia to such plans as the Government will approve.

The undersigned respectfully asks his excellency's immediate attention to the subject, to the end that the order revoking the concession may be withdrawn, and avails himself of the occasion to renew to his excellency the assurance of his most distinguished consideration.

THEODORE RUNYON.

Mr. Adee to Mr. Runyon.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 29, 1895.

Private advices from representative of the Mutual Life Company in Prussia indicate favorable outcome if views of the United States vigorously and persistently put forward. This you are authorized to do with good judgment and discretion.

ADEE, Acting.

Mr. Runyon to Mr. Olney.

No. 352.]

EMBASSY OF THE UNITED STATES,
Berlin, August 31, 1895. (Received September 13.)

SIR: Referring to my dispatch of the 22d instant, No. 345, on the subject of the revocation of the concession to the Mutual Life Insurance Company of New York, I beg leave to add in continuance of the history of the matter, which I now regard as closed, that on the 27th instant Mr. McClintock, actuary of the company, addressed and sent to me a communication, a copy of which is herein inclosed, the object of which was to get me to urge upon the authorities the desirability of a decision before the 1st of September next, if the order withdrawing the concession was to be revoked either permanently or temporarily. A copy of this communication was duly sent without delay to the foreign office.

On the evening of the 29th instant the Department's cipher telegram, as follows, was received:

RUNYON, *Ambassador, Berlin:*

Private advices from representative of the Mutual Life Company in Prussia indicate favorable outcome if views of the United States vigorously and persistently put forward. This you are authorized to do with good judgment and discretion.

ADEE, *Acting.*

The instruction therein contained was at once observed by communicating its substance to the foreign office the next day, and to-day I sought and obtained an interview with the secretary of state for foreign affairs on the subject and found that the order in question is not to be withdrawn. Baron von Marschall promised to give me in writing the reasons for the action complained of.

I may say that these reasons are (first) that the company's financial report of assets is not satisfactory, in that securities are set down at market value instead of at the cost price, and that real estate bought in under foreclosure is put down at a valuation of the property of which there is no evidence, and which, therefore, may be too large; and (second) the declaration of the company that it can not comply with the regulation made by the Prussian authorities and which by its terms is applicable to it.

I have, etc.,

THEODORE RUNYON.

[Inclosure in No. 352.]

Mr. McClintock to Mr. Runyon.

BERLIN, *August 27, 1895.*

SIR: I am not aware of the exact position of the negotiations now going on concerning my company, but desire to set before you, and through you, if possible, before the German Government, the imperative necessity which exists that whatever can be done for the relief of the company should be done now.

The notice to discontinue new business on September 1 was published widely by the Ministerium des Muson on August 16, eleven days ago. As it takes effect next Sunday, we have four more days only. Very great injury has already been done, owing to the distrust produced by the decree. Not only is the high public standing of the company assailed, but that good will, built up by nine years of successful business in Prussia, is getting undermined, which, by the influence of one man's example upon another, enables fresh insurances to be obtained with ever-increasing ease. The very agents themselves, in various parts of Prussia, are daily receiving and yielding to inducements to engage in other life companies. The company has as yet said nothing to its agents, but must send word to them on Friday at latest to do no more business after Saturday, and must also inform all policy holders of the discontinuance of its concession.

If, therefore, these remaining days pass without at least a temporary recall of his order by his excellency Minister von Köller, it becomes fully and finally effective as

destroying our business in Prussia and injuring it in other countries. Thereafter, should a new concession be granted at any time, it would be necessary to begin de novo under worse conditions than in 1886. I omit on this occasion any further expression of the indignation felt by all connected with the company and by others acquainted with the circumstances, Germans as well as Americans, concerning the decree itself.

Yours, most respectfully,

EMORY MCCLINTOCK,
Actuary of the Mutual Life Insurance Company of New York.

Mr. Adee to Mr. Runyon.

[Telegram.]

DEPARTMENT OF STATE,
Washington, September 5, 1895.

In order to make clear the object of instructions heretofore sent, it is proper to say that the Department understands that hostile action against Mutual Life Company is a royal Prussian matter not cognizable and determinable by imperial authority unless treated as an international question. Conformably with your previous instructions you will continue actively to press the matter on international grounds.

ADEE, *Acting.*

Mr. Runyon to Mr. Olney.

No. 371.]

EMBASSY OF THE UNITED STATES,
September 21, 1895. (Received October 9.)

SIR: Referring to the Department's telegraphic instructions of the 5th instant, I have the honor to transmit herewith a copy of a note to-day addressed by me to the German Government, which constitutes a general answer to the various objections which have been made verbally and in writing to the Mutual Life Insurance Company of New York, and to its business methods, and to be, sir,

Your obedient servant,

THEODORE RUNYON.

[Inclosure in No. 371.]

Mr. Runyon to Baron von Rotenhan.

EMBASSY OF THE UNITED STATES,
Berlin, September 21, 1895.

The undersigned, ambassador, etc., of the United States of America, acting under instructions from his Government, has the honor to present again to his excellency Baron von Rotenhan, acting secretary of state for foreign affairs, the subject of the action of the Prussian authorities in prohibiting the Mutual Life Insurance Company of New York from doing any new insurance business in Prussia after the 1st day of September instant. The object of the undersigned herein is particularly to bring to his excellency's attention the request made by the company to be permitted to do new insurance business under its concession by confining such business to the issuing of policies with annual participation in the profits. The regulation of 1890, paragraph iv, pl. 8, translated into English is as follows:

"If a company secures to its policy holders participation in profits according to the so-called tontine system (to this belong particularly all those systems of participation in profits of life insurance, by which the profits accruing upon any given insurance group are accumulated during a period of not less than three years, and belong at the end of the period to the surviving policies of the group in question

for division among them), it must not carry on the various tontine groups in one common fund, and separate a part from this fund when the time arrives according to the plan for the distribution of profits from tontines, but it is, on the other hand, obliged in each calendar year to carry on in a separate account all those tontine insurances."

The company has declared its inability to comply with that regulation for the reason which is stated at length in the memorandum which the undersigned had the honor to submit to the foreign office heretofore, and to which he now again refers. Briefly stated, the reason is that the company does not do and has not done business on what is called the tontine plan, and that to require it to make reports such as the authorities have by the regulations demanded in accordance with the tontine system is to require that which is impossible unless the company could convert itself retroactively as well as prospectively into a tontine company, which is impossible. The company, in view of such declared inability, stated its readiness either to conform to the regulations so far as its business system would allow or to make such changes in its business in Prussia, in view of the regulation, as would not operate to its serious detriment elsewhere. In accordance with this declaration it submitted, on the 9th of July last, through this embassy, to the imperial foreign office a suggestion of a general regulation, which, while it would in nowise affect the regulation of 1890, would enable the company to have to a certain extent, at least, the benefit of its concession and of its great expenditures on the faith of it. It was in the form of an order that any company which does not comply with the provisions of the above regulation of 1890 should issue no policies in Prussia, except with dividends to be payable annually, and that a company issuing such policies shall in its statements showing the amount of its surplus always state that only those policies which are in force at the time of striking the balance shall participate in the future dividends from the accrued surplus.

The undersigned understands that the request (for the suggestion amounted to that) was regarded by the authorities as objectionable on two grounds, first, that it came too late, and next, that it was merely the formalization of propositions as to how the conduct of the business of the company in Prussia might be arranged so as to comply in the most feasible manner with the regulation in regard to tontine business; and it was therefore rejected, the company being informed by a decree of the minister of the interior, of the 14th of August last, that its concession would be declared canceled on the 1st of September, and that the proposition of July 8 (that just referred to) had not caused the minister to change the decision (the withdrawal of the concession) which had already been communicated. It does not appear to the undersigned that there was any ground for holding that the proposition came too late, especially seeing that it was submitted five days before the expiration of the extension of time (to the 25th of July) which had been granted; nor does it appear to him to be too late to consider and allow it now. As to the other objection, which is in substance that the proposition was intended as a means of avoiding compliance with the regulation of 1890, the request of the company in making this proposition was not for a modification of the regulation of 1890 to enable it to conduct insurance business on the tontine plan, but was for the adoption of a regulation which in effect would prevent any life insurance company from carrying on its business of insurance in Prussia on the tontine plan except under the regulation of 1890. This, it will be observed, is in nowise in contravention, nor is it even a modification of the regulation of 1890, but it leaves that regulation in full force, and is a general provision applying to all life insurance companies. Under it the company would still be enabled to carry on its business in Prussia, but only in conformity with the regulations of the Government, and on the plan specified. And here it seems quite proper to state that it is alleged by the company that its methods of insurance and of keeping its accounts were all investigated by the authorities before the concession was granted (which was November 16, 1886), and that in the granting of the concession those methods were approved; and it also alleges that there has been no change in those methods from that day to this, a period of nine years or thereabouts. The circumstances under which the concession was granted, the inquiries which were made, and the circumspection which was exercised by the Government before it was granted, the expenditures which were made by the company on the faith of the concession are stated in a brief and general way in the memorandum before referred to.

The company declares that it has in all things complied with every regulation except the particular regulation of 1890 as to the tontine business, with which, as before stated, it declares it impossible to comply, for the reason given. It alleges that under a regulation of 1891, which required that one-half of all premiums collected by the company in its business here be invested in German securities, it has so invested the large sum of 2,250,700 marks. It may well be assured, that in making such investment, as well as in the large expenditures the company has made in and for the establishment of its business in Prussia, and in the building for its offices in the city of Berlin, it acted upon the conviction that there was no ground to appre-

hend that the concession would be withdrawn without due regard to existing equitable considerations in its favor, nor without due regard to the principle of international comity, a principle which, it may be remarked, is well illustrated in the freedom and equality with which foreigners and foreign corporations are permitted to extend their business operations to and carry them on in the United States. The undersigned very respectfully solicits the attention of his excellency to this subject with a view to the repeal of the decree of the 14th of August last, canceling the concession of the company. The undersigned has been informed that, as additional ground for the cancellation, certain objections are made by the authorities to the accounts of the company, to its valuation of its assets, and to some of its expenditures in the conduct of its business. But he is not informed whether these matters have all been brought to the attention of the company or its representatives. He may be permitted to suggest that they should not be regarded as ground for any adverse action against the company, at least until it shall have had notice of the complaint or objections and full opportunity to be heard in reference thereto.

As to the objection that in its statement of its assets its stocks and bonds are put down at their market value, and not at their cost to the company, the undersigned is informed that the company has offered to obviate (and perhaps has already done so) this objection by stating in its reports not only the market value, but the cost of those assets also. And as to the objection that real property bought in by the company at sale under foreclosure of mortgage held by it thereon is put down at a valuation of the justness whereof the Government has no means of judging, the undersigned has been informed that when the application for the concession was under consideration the company tendered itself ready to furnish, and did in fact furnish, all information to the Government which the latter desired, and that the Government requested that the Imperial German minister at Washington examine into and report upon the condition of the company, and he did so, and his report was acted upon favorably by the Prussian authorities, and that the method of valuing such properties was the same at that time as it has been ever since. Moreover, he is further informed that the company has in reference to this, as in regard to every other matter connected with the operation of the company, sought to have the Government examine into them by its own experts, to be sent to the United States for the purpose, or to be appointed there, and has offered to pay not only all the expenses of such experts and of the examination by them, but, if permitted to do so, to pay the experts compensation for their services also, and that this offer, which is still open, has not been accepted. He is also informed that a complete statement or list, in detail, of all of those properties, with a description of the premises and separate appraisals of the land and buildings, with the volume and page of the official record of the deeds for the land, is annually transmitted to the insurance department of the State of New York and to the proper offices of other States where it is required, and is there open to public inspection, and that certified copies thereof may be obtained.

It appears that an official examination of the company, showing its condition at the beginning of this year, has recently been completed by the superintendent of the insurance of the State of New York, and that a certified copy of his report thereon has been transmitted to the Prussian authorities. This examination was, it is said, the work of about eighteen months. It dealt with and passed upon the assets of the company, its loans on real-estate security, its safeguards, its medical examinations, its business in foreign countries, its income and disbursements, its method of keeping its accounts and of doing its business, and the character and standing of the company. On the subject of property bought in by the company at foreclosure sale the superintendent reports as follows: "The company's method of dealing with this class of property illustrates its wise conservatism, and has my approval. The cash value of this real estate is in the aggregate more than it represents on the company's books and statements. While the department in this report can not recognize prospective increase of value as an element of appraisals, it is yet the opinion of the superintendent, founded on the detailed returns of the experts whom he has employed, that the valuation is one which in the aggregate no probable event in the future will reduce, while circumstances are likely to arise which will materially increase it." The undersigned has the honor to send herewith to his excellency a copy of the report. He very respectfully presents the subject of this note to his excellency for consideration in all its aspects by the Prussian Government and by the imperial authorities also, so far as the latter may have jurisdiction or cognizance of the subject in the premises, and suggests in so submitting it that there is ground for the belief that the necessary result of the action complained of would, as the matter stands, be to give to the beneficent principle of comity above alluded to, to which it is the interest of all nations to maintain, a restricted and uncertain operation, which is, of course, to be deprecated.

The undersigned avails himself of this occasion, etc.,

THEODORE RUNYON.

Mr. Olney to Mr. Runyon.

No. 487.]

DEPARTMENT OF STATE,
Washington, December 7, 1895.

SIR: Inclosed please find copy of letter to this Department from the governor of New York, together with copy of letter from James F. Pierce, superintendent of insurance of the State of New York, to the minister of the interior of the Kingdom of Prussia, and copy of letter from the superintendent of insurance of the State of Missouri to Theodore W. Letton, manager of the Prussian National Insurance Company of Stettin, Prussia. You are requested to use your best efforts in such manner as you may deem appropriate and expedient to accomplish the purposes stated in the letter of the governor and of the superintendent of insurance of the State of New York, and to report your action from time to time to this Department.

Respectfully, yours,

RICHARD OLNEY.

[Inclosure in No. 487.]

Governor Morton to Mr. Olney.

STATE OF NEW YORK, EXECUTIVE CHAMBER,
Albany, December 3, 1895. (Received December 5.)

SIR: It is represented to me by the superintendent of insurance of the State of New York, the officer charged by our laws with supervision of the business of insurance and of the companies transacting that business within this State, that three of the principal life insurance companies of New York, which are among the most important and substantial financial corporations of the United States and of the world, have been, by the department of the interior of the Kingdom of Prussia, unjustly excluded from that Kingdom, after they had been induced to establish agencies and make large investment of funds among its people. A great and growing feeling of irritation upon this subject exists among the vast insurance interests of this country, and is finding daily expression in the press. In several States of the Union notice has already been given to corporations of Prussia that they can not transact business within those States, this action having been taken by the several insurance departments solely as retaliation for arbitrary acts of the Prussian minister toward companies of New York.

The superintendent of this State believes that the shortest way to the reestablishment of reciprocal business relations among these States and corporations is to be found in a candid comparison of views, rather than in a policy of annoyance and exclusion. In this belief the superintendent has prepared a letter, addressed to his excellency the minister of the interior of the Kingdom of Prussia, a copy of which is inclosed herewith. But as the people of no State have diplomatic relations with the Kingdom of Prussia save as they are represented by the General Government, and by its ambassador to the Empire of Germany, and as I am informed that our ambassador has already in several instances, under instructions from your Department, rendered his good offices in the endeavor to solve some of the very questions now involved, I beg respectfully to request that the purpose of the superintendent in this communication be facilitated by the good offices of the ambassador of the United States in Berlin, in such manner and to such extent as shall to you appear useful and proper.

I have, etc.,

LEVI P. MORTON,
Governor of New York.

[Subinclosure 1 in No. 487.]

The Superintendent of Insurance of New York to the Prussian Minister of the Interior.

STATE OF NEW YORK, INSURANCE DEPARTMENT,
Albany, November 27, 1895.

The undersigned, the superintendent of insurance of the State of New York, begs to present to your excellency, in behalf of this State and its people, their respectful protest against the recent orders by which your excellency has required of three life insurance corporations created by this State, that they divide their surplus in accordance with certain imaginary groups, founded upon a theory of tontine insurance which is unknown to the laws of this State and to the practice of its institutions.

This protest seems to me to be required first by the fact that the method of accounting and distributing referred to, and by a decree issued in your excellency's name made, a condition of the continuance by these companies of business in the Kingdom of Prussia, is inconsistent with the principles upon which the companies are founded and conducted, and in violation of the laws of this State; and by the further fact that the authority of the wisest and best recognized actuaries of the world is substantially unanimous in condemnation of the scheme.

No reputable actuary, so far as I am able to learn, has ever advocated such a method as essential, and the large majority of actuaries regard it as unwise and unreasonable.

The complaint of the companies in question is that this requirement has been adopted in pursuance of a fixed purpose to exclude these companies from the Kingdom of Prussia and not from regard for principle nor from a desire to protect insurers. After careful examination of the records in possession of the companies and of all the circumstances of the case, I am forced to the conclusion that this complaint is well founded. It has further been proved to me beyond dispute that reasonable and respectful requests presented by one or more of these companies for a hearing before proper authorities of your department have been refused, or at least rejected without the courtesy of a refusal.

Inasmuch as the policy of the State of New York has always been to treat insurance corporations of every other state or country with the same courtesy and hospitality which are extended by such state or country to our own companies, and inasmuch as the law vests in me without appeal discretionary power to refuse to corporations from any foreign country the privilege of doing business in the State of New York, when such privilege appears inconsistent with the public welfare, it may become my duty to suspend the consideration of applications from companies of the Kingdom of Prussia for the privilege of doing an insurance business in this State, unless the Government of Prussia shall see fit to extend similar privileges to corporations of the highest standing created by this State, or else shall explain its action in refusing such privilege in a manner consistent with the courtesy and liberal policy which have heretofore guided the relations of this State and its business enterprises with the governments and corporations of European States. In the early weeks of the coming year, the companies created by the Kingdom of Prussia, and already doing an insurance business in the State of New York will reach the end of the term for which their concession to do such business has been granted. Unless that concession is renewed by me, their right to do business here will terminate. It may then be impossible for me to continue the privilege they have heretofore enjoyed, or to admit other Prussian companies to do business here until the conditions mentioned above shall be fulfilled.

I beg, however, to assure your excellency that it is only with extreme reluctance that I shall resort to such measures. Observing that my respected friend, Mr. Waddill, commissioner of the State of Missouri, has already taken the decisive step of excluding from that State the Prussian National Insurance Company of Stettin, solely because of the apparent injustice done to the companies of New York in your excellency's name, I can not permit the authority of this State to seem more indifferent to the welfare and honor of American enterprise as represented by its own institutions, than is a sister Commonwealth which has no corporations that are open to attack or injury from foreign Governments. Yet it seems to me most respectful to your excellency, and most likely to conduce to a good understanding among all parties concerned, before proceeding to an extreme step, to ask your excellency's attention to the grave facts which I have stated, and to submit for your information a copy of the letter sent to the Prussian National Insurance Company of Stettin by the superintendent of insurance of Missouri, as an expression of the sentiments which I believe actuate all intelligent Americans upon hearing of the policy of your Government.

I am equally confident they all, in common with myself, will highly appreciate any effort your excellency may make to restore reciprocal feelings of courtesy and promote the mutual enjoyment of reasonable privileges of trade between the citizens of Prussia and those of New York. I beg your excellency to accept the assurance of my distinguished consideration, etc.

JAMES F. PIERCE,
Superintendent of Insurance of the State of New York.

[Subinclosure 2 in No. 487.]

The Superintendent of Insurance of Missouri to the Prussian National Insurance Company of Stettin.

MISSOURI INSURANCE DEPARTMENT,
St. Louis, November 18, 1895.

DEAR SIR: As superintendent of the insurance department of the State of Missouri, in the United States of America, clothed with the power of granting or refusing to

grant insurance companies of other States and foreign Governments authority to do business in the State of Missouri, my attention has been called to the action of the Prussian Government, in the German Empire, in forcing American insurance companies which had been admitted to do business in that country to abandon their business and withdraw from Prussia. I have looked into the matter with much care and with a great desire to find some way by which I could escape the disagreeable duty of refusing to companies of Prussia the right to do business in the State of Missouri. I have carefully gone over the correspondence, orders, rules, requirements, and other obstructive measures had and made by the Prussian Government with one of the great American companies which has been forced to leave Prussia.

After carefully considering all these documents and correspondence, I am forced to the conclusion that the deliberate purpose of the Prussian minister was to force the American life insurance companies doing business in Prussia to withdraw their business from that Government. The correspondence discloses that the minister only made requirements; but it also discloses that as soon as one difficult requirement was complied with another was made upon the company, and when that was met another still more difficult was made; and so on, until it was made manifest and beyond question that the Prussian Government, through its minister, was determined to force the American companies to abandon their business in Prussia. It has succeeded, and the Equitable Life Assurance Society, the Mutual Life Insurance Company, and the New York Life Insurance Company, all American companies, have each successively been compelled to withdraw their business from Prussia at great loss. It is easy to see through the filmy meshes of sophistry with which the Prussian minister seeks to cover up this transaction, and make it appear that the companies refused to comply with the requirements of the Prussian Government. It is equally apparent that the requirements were made successively with the deliberate and fixed purpose of forcing the companies to abandon Prussia.

As an American citizen, and as an official of a sovereign State of the United States, clothed with authority to superintend and supervise all matters of insurance companies doing business in the State of Missouri, including the authority to admit them to this State, and backed up by the retaliatory statutes of the State of Missouri, which require me to mete out to companies of other States and Governments the same treatment that those States or Governments mete out to companies that are foreign to them, I shall be compelled to deal with companies of Prussia as the Prussian Government has dealt with American companies.

I desire to call your attention thus early to this matter and to say to you in all frankness that I shall not be influenced one moment by the diplomatic veneering and sophistry of the Prussian minister, and that unless this action of the Prussian Government is modified and just treatment is accorded to American companies having large interests in Prussia and other parts of the German Empire, it is now my purpose to refuse to insurance companies of Prussia a renewal of their authority to do business in the State of Missouri on the 1st of next February, when their present authority will expire.

I have to express the hope that before that time such action may be had and such reconsideration made as that the Prussian Government will have revoked its harsh orders and extended to American companies such a liberal policy as will enable them to continue to transact their business within its jurisdiction, and that I may thus be saved the disagreeable duty of enforcing the strong measure which I have now in contemplation, and which I have above indicated.

I am, etc.,

JAMES R. WADDILL,
Superintendent.

Mr. THEODORE W. LETTON,
*Manager Prussian National Insurance Company of Stettin, Prussia,
Chicago, Ill.*

Mr. Olney to Mr. Runyon.

No. 490.]

DEPARTMENT OF STATE,
Washington, December 7, 1895.

SIR: Referring to a letter of this date, inclosing a communication from the governor of the State of New York, together with copies of communications from the superintendent of insurance of the State of Missouri, I send you herewith copy of letter to this Department from superintendent of insurance of the State of New York, from which it

appears that he has requested Mr. Poultney Bigelow to act as his representative with the proper officers of the Kingdom of Prussia in reference to the subject-matter of his letter.

Please do anything in your power to facilitate the objects of Mr. Bigelow's mission, by giving him access to the proper Prussian officials or otherwise.

Respectfully, yours,

RICHARD OLNEY.

Mr. Runyon to Mr. Olney.

No. 432.]

EMBASSY OF THE UNITED STATES,

Berlin, December 18, 1895. (Received January 11, 1896.)

SIR: I have the honor to report that a few days ago I was apprised for the first time by persons acting in the interest of The New York Life Insurance Company that that company, a short time before the withdrawal of its concession, delivered to the proper Prussian authorities certain documents attesting to the soundness of the company and showing conformity (in accounting) on its part with the regulations of the Prussian Government, and that no reply thereto was received. In view of the declaration of the Imperial secretary of state for foreign affairs in his recent speech in the Imperial Parliament, a report of which, with translation, I had the honor to send to you some days ago (see Dispatch No. 422, of December 10, 1895), that if the American insurance companies are desirous of doing business in Prussia, all they have to do is to conform to the regulations, I immediately sent duplicates of the papers above mentioned to the foreign office, and soon after sought and obtained an interview with Baron von Marschall in reference to the matter. As to The New York Life Insurance Company, I received an assurance that the subject would be considered by the new Prussian minister of the interior in view of the papers above referred to.

I have, etc.,

THEODORE RUNYON.

Mr. Olney to Mr. Runyon.

No. 499.]

DEPARTMENT OF STATE,

Washington, December 19, 1895.

SIR: Referring to previous correspondence relative to certain action of the German authorities inimical to the interests of American insurance companies doing business in Germany, I inclose for your information a copy of a letter, dated the 16th instant, from Mr. James F. Pierce, superintendent of insurance of the State of New York, inclosing an original communication from the insurance commissioner of the State of Massachusetts to Mr. von Koller, minister of the interior of the Kingdom of Prussia, in relation to the very burdensome restrictions which the German authorities have imposed upon American life insurance companies.

You are instructed to make such use, in your discretion, of the accompanying papers as will, in your judgment, best promote the very important American interests concerned.

I am, etc.,

RICHARD OLNEY.

[Inclosure 1 in No. 499.]

*The Superintendent of Insurance of the State of New York to Mr. Olney.*STATE OF NEW YORK, INSURANCE DEPARTMENT,
Albany, December 16, 1895. (Received December 17.)

SIR: I beg respectfully to ask your attention to the fact that a letter, a copy of which is inclosed, has been sent to the minister of the interior of the Kingdom of Prussia by the commissioner of insurance of the State of Massachusetts. Inasmuch as the views therein expressed are in substantial accord with those given at somewhat greater length in the letter of this Department, dated November 27, 1895, which I had the honor to transmit through the good offices of the ambassador of the United States in Berlin, favored by your kind instructions, I beg respectfully to suggest that if it be consistent with your views the inclosed letter be communicated through the same agency for the information of the foreign office of the German Empire.

It is but one of many indications of the impression made upon public opinion in the United States by the recent action of the Prussian Government toward the life insurance institutions in this country, referred to by the President of the United States in his recent message to Congress.

I have, etc.,

JAMES F. PIERCE,
Superintendent of Insurance of the State of New York.

[Inclosure 2 in No. 499.]

*The insurance commissioner of the State of Massachusetts to Mr. Von Koller.*COMMONWEALTH OF MASSACHUSETTS, INSURANCE DEPARTMENT,
Boston, November 25, 1895.

DEAR SIR: As the official of the Commonwealth of Massachusetts charged with the supervision of insurance both domestic and foreign, my attention has been called to the action of your Government in relation to the three largest life insurance companies of the United States of America heretofore transacting business in Prussia; and after consultation with my brother officials of other Commonwealths, I am impelled to write to you that there is a very widespread feeling of indignation among such insurance officials in this country at the manner in which your Government has seen fit to treat the American companies, and a very vigorous demand is being made in this country for the enforcement against the fire and marine insurance companies of Prussia of the retaliatory sections of the laws of the several States of this Union.

In my own judgment it is not altogether so much the very burdensome restrictions which you have seen fit to impose upon the American life-insurance companies as the manner in which those companies and their representatives have apparently been treated by your Government, and it becomes a serious question for the State officials of the United States to consider when by your Government the broad seal of the States of this Union, accompanied by a certificate under seal of the United States of America, is apparently contemptuously cast aside and given no weight or consideration whatever, and the representatives of the American companies denied a fair hearing which they asked before the representatives of your Government, whether the time has not come when the supervisors of insurance in the several States of this Union must not take some action in regard to your own companies, of whatever character, now transacting business in the United States.

I have this morning a letter upon this matter from the Prussian National Insurance Company, now transacting business in Massachusetts, and in reply have written very much in the tenor of this letter, and I feel bound to communicate to you an expression of the feeling which is becoming very widespread in all the States of this Union.

Respectfully, yours,

[SEAL.]

GEO. S. MERRILL,
Insurance Commissioner.

[Subinclosure to inclosure 2 in 499.]

COMMONWEALTH OF MASSACHUSETTS, SECRETARY'S OFFICE,
Boston, December 13, 1895.

I hereby certify that at the date of the attestation hereunto annexed George S. Merrill was the insurance commissioner for the said Commonwealth duly appointed

and qualified, and that to his acts and attestations as such full faith and credit are and ought to be given, in and out of court.

In testimony of which I have hereunto affixed the seal of the Commonwealth the date first above written.

[SEAL.]

WM. M. OLIN,
Secretary of the Commonwealth.

Mr. Olney to Mr. Runyon.

No. 510.]

DEPARTMENT OF STATE,
Washington, January 3, 1896.

SIR: Referring to the Department's instruction, No. 499, of the 19th ultimo to you, relative to previous correspondence concerning certain action of the German authorities inimical to the interests of American insurance companies doing business in Germany, I inclose an original communication dated the 23d ultimo from the insurance commissioner of the State of Connecticut, addressed to the Prince von Hohenlohe, chancellor of the German Empire, in relation to the subject in question.

You are instructed to make such use, in your discretion, of the accompanying paper as will, in your judgment, best promote the very important American interests concerned.

I am, sir, etc.,

RICHARD OLNEY.

[Inclosure in No. 510.]

Mr. Betts to Mr. Olney.

STATE OF CONNECTICUT,
OFFICE OF THE INSURANCE COMMISSIONER,
Hartford, December 23, 1895. (Received December 31.)

SIR: Permit me to request that you will have forwarded through the proper channels to Prince von Hohenlohe, chancellor of the German Empire, the accompanying communication from the department of insurance of the State of Connecticut.

Believe me, very truly, yours,

FREDERICK A. BETTS,
Commissioner.

[Subinclosure in No. 510.]

Mr. Betts to Prince von Hohenlohe.

OFFICE OF THE INSURANCE COMMISSIONER,
Hartford, December 23, 1895.

SIR: The undersigned, the commissioner of insurance of the State of Connecticut, desiring to communicate with the proper authorities of the Kingdom of Prussia, and learning that the late minister of the interior of that Kingdom, in whose jurisdiction is the supervision of the insurance business, has resigned his office, begs leave respectfully to address this communication to your excellency, as president of the Prussian ministry, and to ask the attention of your excellency to the following facts:

It has been represented to me by certain corporations chartered by the authority of the State of New York, and doing business in every State of the United States, and in particular in the State of Connecticut, that recent official acts of the department of the interior of the Kingdom of Prussia have been oppressive in their nature and have resulted in great loss and damage to the business of these companies; that in particular the Mutual Life Insurance Company, the New York Life Insurance Company, and the Equitable Life Insurance Society of New York City, have each at different times obtained from that department concessions to transact insurance business within the Kingdom of Prussia, and as soon as their investments in the Kingdom have been made and their success in such business secured, they have been

met by the Department with successive decrees imposing upon them conditions of continuance in such business which were increasingly burdensome, and finding it impossible to comply with such decrees, have either withdrawn under compulsion from Prussia, or have been excluded therefrom.

Convinced that the fundamental principle of all business relations between countries subject to different jurisdictions is one of true reciprocity, I beg respectfully to say that the insurance department of Connecticut will do everything in its power to maintain true principles of reciprocity in such cases. If the facts brought to my attention are correct, it is plain that the action of your department of the interior is not in harmony with the liberty and reciprocity guaranteed by the treaty entered into in 1828 between the United States and the Kingdom of Prussia, wherein the contracting powers granted each to the other "liberty and reciprocity of commerce and of navigation." That reciprocity of commerce includes reciprocity in the insurance business is an accepted doctrine in the interpretation of all such treaties. That this reciprocity has been violated in the measures adopted by the interior department of the Kingdom of Prussia toward the companies in question can not, I think, be successfully disputed, if the representations made to me are true.

As commissioner of insurance of the State of Connecticut, I respectfully call upon your department for a formal statement of the reasons for the alleged unjust treatment of the American companies referred to in this communication. It has seemed to me wise to ask your excellency's attention to these facts, and to request, with respect, that you will direct a reconsideration of the action of the department of the interior, to which reference has been made.

I remain, yours, respectfully,

FREDERICK A. BETTS.

Mr. Runyon to Mr. Olney.

No. 445.]

EMBASSY OF THE UNITED STATES,
Berlin, January 5, 1896. (Received January 17.)

SIR: Referring to my dispatch No. 432, of December 18 last, relating to the incidents of an interview which I had had a few days before that date with Baron von Marschall, the imperial secretary of state for foreign affairs, in regard to the action of the Prussian authorities in respect to American insurance companies, and the action of the German Government as to the exclusion of American cattle and fresh beef, I would now add that I have to-day had another interview with the same high official upon the same subjects, but principally upon the former. In my dispatch above mentioned I state that the imperial secretary assured me that the subject of the withdrawal of the concessions from the insurance companies would be considered by the new Prussian minister of the interior, Baron von der Recke. To that end I requested him to send the papers which I had furnished him in the matter to the new minister if he had not already done so, and he promised that if the papers had not already gone they would be sent.

In the conversation of to-day, I may remark, opportunity was afforded to make use of the communication from Mr. George S. Merrill, insurance commissioner of the State of Massachusetts, to Mr. von Koeller, the late Prussian minister of the interior, a copy of which was sent me, with your instruction, No. 499, of December 19 last, and to a certain extent of some of the facts furnished me in your instruction, No. 497, of December 18, and I availed myself of the occasion. In the conversation the imperial secretary informed me that the promised reconsideration (referred to in my dispatch) of the matter of the withdrawal of the concessions would take place, and that the subject would be referred by the new Prussian minister to new experts.

I have, etc.,

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THEODORE RUNYON.

Mr. Runyon to Mr. Olney.

No. 446.]

EMBASSY OF THE UNITED STATES,
Berlin, January 6, 1896. (Received January 17.)

SIR: Referring to your instruction, No. 490, of the 7th of December last, informing me that the superintendent of insurance of the State of New York had requested Mr. Poultney Bigelow to act as his representative with the proper officers of the Kingdom of Prussia in reference to the subject-matter (American insurance companies in Prussia) of a letter from the superintendent to the State Department, and requesting me to do anything in my power to facilitate the objects of Mr. Bigelow's mission by giving him access to the proper Prussian officials or otherwise, I beg leave to say that in accordance with that instruction I have furnished Mr. Bigelow with all desired means of access to the officials referred to and have otherwise given him all the assistance in my power to further the objects of his mission. He informs me that he has called upon all the officials, Imperial as well as Prussian, whom it was thought desirable to see, and he has made full daily reports of his proceedings to his principal, the superintendent of insurance of New York. I may add that his action in discharge of his duty in the premises has been taken after consultation with me, and he has advised with me as to all his steps, and has, I believe, in all things been governed by my judgment.

I have, etc.,

THEODORE RUNYON.

Mr. Runyon to Mr. Olney.

No. 456.]

EMBASSY OF THE UNITED STATES,
Berlin, January 19, 1896. (Received February 1.)

SIR: Referring to my dispatches, No. 432, of December 18 last, and No. 445, of the 5th instant, I have the honor to inform you that I am to-day in receipt of a note from Baron von Marschall, the Imperial secretary for foreign affairs, in which I am informed that certain documents which had been transmitted by me to him on December 14, relating to the case of the New York Life Insurance Company, had been communicated to the new Prussian minister of the interior, and that Baron von der Recke, the minister in question, had in his reply stated that he intended without delay to reconsider the matter of the withdrawal from Prussia of the three American life insurance companies.

Under these circumstances it seems to me to be advisable not to transmit, for the present at least, to Prince Hohenlohe, the chancellor of the Empire, the letter from the insurance commissioner of the State of Connecticut, which was inclosed with your instruction of the 3d instant (No. 510), received yesterday.

I have, etc.,

THEODORE RUNYON.

CORRESPONDENCE SINCE THE DATE OF HOUSE DOC. NO. 247, FIFTY-FOURTH CONGRESS, FIRST SESSION.

Mr. Jackson to Mr. Olney.

No. 469.]

EMBASSY OF THE UNITED STATES,
Berlin, February 8, 1896.

SIR: I have the honor to append hereto, in the form of memoranda, notes on certain subjects, more particularly mentioned below, relating to the commercial relations between the United States and Germany, and to the parliamentary debates of the past week, and to be, sir,

Your obedient servant,

JOHN B. JACKSON.

[Inclosure in No. 469.—Insurance.—Dispatch No. 445, January 5, 1896.]

In conversation on February 6, Baron von der Recke, the Prussian minister of the interior, said that the day before he had received a request from the Mutual Life Insurance Company, of New York, to be allowed to reenter Prussia; that the case of the New York Life Insurance Company was undergoing a thorough examination, but that it would take some time and the result must be awaited with patience, and that the action taken in several States made the whole matter more difficult. He asked if it were not possible for the Central (National) Government to exercise a restraining influence on the local (State) authorities.

Mr. Olney to Mr. Jackson.

No. 553.]

DEPARTMENT OF STATE,
Washington, February 26, 1896.

SIR: I inclose for your information a copy of a letter¹ dated the 24th instant from Richard W. McCurdy, esq., president of the Mutual Life Insurance Company, of New York, asking this Department to cause to be presented to the chancellor of the German Empire certain petitions signed by German residents of various parts of the United States requesting that the company in question be relicensed to do business in the Kingdom of Prussia.

You are instructed to transmit the above-mentioned petitions to their destination through the appropriate channel.

I am, etc.,

RICHARD OLNEY.

Mr. Jackson to Mr. Olney.

No. 488.]

EMBASSY OF THE UNITED STATES,
Berlin, February 28, 1896.

SIR: I have the honor to inform you that I have again (to-day) had an interview with Baron von der Recke, the Prussian minister of the interior. In the course of our conversation the minister told me that matters were still as they were when I saw him last (see note on "insurance" in my dispatch No. 469, of the 8th instant); that the papers of both the New York and Mutual Life Insurance companies were in the hands of experts; that he was waiting for the reports of both insurance and financial experts, and that he could not hurry these men in their work without interfering with the thoroughness of it. He again stated explicitly that there had been no intention whatever of discriminating against American companies, and that the action taken had actually been taken for the reasons assigned.

¹ Not printed.

He said, with reference to recent legislation in New York, that under the present condition of affairs public feeling might make it impossible to renew the concession to the American companies, even if the report of the experts were favorable, as may of course be the case, as it could not be allowed to appear as if the Government had been *compelled* to change its views in the matter. With reference to certain letters which had been received by him from the insurance officers of some of our States, he expressed surprise that such officers considered it proper to communicate through any other than a diplomatic channel with an official of a foreign Government and remarked that he could, of course, only reply to these letters through the Imperial foreign office.

I have, etc.,

JOHN B. JACKSON.

Mr. Jackson to Mr. Olney.

No. 507.]

EMBASSY OF THE UNITED STATES,
Berlin, March 19, 1896.

SIR: On the 14th instant I sent to Baron von Marschall the petitions mentioned in your instruction No. 553, of the 26th ultimo, which had been given me the week before by the Berlin agent of the Mutual Life Insurance Company, of New York, and a copy of the President's message on "American life insurance companies in Germany," transmitted with your instruction No. 556 of the same month, a copy of which I also sent to Baron von der Recke, the Prussian minister of the interior.

I have, etc.,

JOHN B. JACKSON.

Mr. Uhl to Mr. Olney.

No. 57.]

EMBASSY OF THE UNITED STATES,
Berlin, June 3, 1896.

SIR: On Thursday last I sought and had an interview with Baron von der Recke, the Prussian minister of the interior, with reference to the applications now pending in his department of the Mutual Life Insurance Company and the New York Life Insurance Company for permission to resume business in Prussia.

I was informed by the minister that all the records, documents, and papers were being and to be examined by different experts; that he had already received a report in the case of the New York Life Insurance Company from one expert, and without giving it his personal examination had submitted the same to another for review; that the report in the case of the Mutual Life Insurance Company had not been received, but was expected shortly, when it would take like reference as the other. The minister, moreover, stated that he had as yet given the applications and papers connected therewith no personal attention, and consequently had no present opinion upon the merits; that upon the receipt of the final report from the experts he would take the subject up and carefully examine the entire record with a view of reaching a just decision in the premises, and that he felt a disinclination to hasten the work of the experts, as he desired them to take all the time necessary for a thorough examination.

I took occasion to assure his excellency that the people of the United States, and the Government thereof as well, felt a deep interest in the outcome of these applications, and had great confidence that the result thereof would be the restoration of the companies to their former business status. I further said to him that if, in the pending examination, either by the experts engaged thereon or himself, any point should be obscure or further information should be desired upon any branch of the subject, the interested companies would, upon being advised, promptly undertake to supply any additional data essential to make clear anything remaining in doubt.

To this he replied that if any additional showing should seem necessary he would at once take pleasure in informing me.

In this connection I may add that at an interview had a few days since with Baron von Marschall, the Imperial secretary of state for foreign affairs, I brought up the insurance question likewise, and received from him the reply that no further action could be taken until the reports of the experts should come in. To him I made substantially the same statements as to Baron von der Recke as to the interest with which the decision is awaited in the United States.

I have, etc.,

EDWIN F. UHL.

Mr. Olney to Mr. Uhl.

No. 93.]

DEPARTMENT OF STATE,
Washington, June 22, 1896.

SIR: I have to inform you that your dispatch No. 57, of the 3d instant, relative to your interview with Baron von der Recke, the Prussian minister of the interior, with reference to the application now pending in his department of the Mutual Life Insurance Company, of New York, and the New York Life Insurance Company, for permission to resume business in Prussia, has been received.

Your course in regard to the matter is fully approved by the Department. You are instructed to obtain and transmit hither, if practicable, full copies of the reports which the German experts may make in regard to the status of the several life insurance companies concerned for such use as the Department may deem proper to make of the same.

I am, etc.,

RICHARD OLNEY.

Mr. Uhl to Mr. Olney.

No. 101.]

EMBASSY OF THE UNITED STATES,
Berlin, August 5, 1896.

SIR: I have the honor to inclose herewith copy of my note of to-day's date, F. O. 78, in which the attention of the foreign office is again invited to the applications of the Mutual Life Insurance Company, of New York, and the New York Life Insurance Company for permission to resume business in Prussia, and to be, sir, etc.,

EDWIN F. UHL.

[Inclosure in No. 105.]

*Mr. Uhl to Baron von Rotenhan.*EMBASSY OF THE UNITED STATES OF AMERICA,
Berlin, August 5, 1896.

The undersigned, ambassador, etc., of the United States of America, acting under instructions from his Government, has the honor to again invite the attention of His Excellency Baron von Rotenhan, acting secretary of state for foreign affairs, to the applications of the Mutual Life Insurance Company and the New York Life Insurance Company, for permission to resume business in Prussia, interrupted in the year 1895, and which applications have been pending upon reexamination in the Prussian ministry of the interior and remained undetermined for many months, the delay in granting which is beginning to operate to the embarrassment of these companies in the conduct of their business in other German States and other European countries.

The undersigned, as instructed by his Government, begs to express the hope that it may be found consistent by the Prussian ministry of the interior at an early day to reach a conclusion granting the prayer of the applicants, that thereby the embargo now existing upon their business in Prussia, to their serious disadvantage, may be lifted.

With the well-grounded belief that the requests of these applying American companies for restoration to the rights and privileges formerly accorded them, and by virtue of which they undertook business and made large investments in Prussia, will not be long withheld, and that his excellency will soon be enabled to put the undersigned in the way of informing his Government of the reply which it confidently awaits, the undersigned avails himself of this occasion to renew to his excellency the assurance of his most distinguished consideration.

EDWIN F. UHL.

Mr. Uhl to Mr. Olney.

No. 108.]

EMBASSY OF THE UNITED STATES,
Berlin, August 12, 1896.

SIR: I have the honor to inclose herewith, with translation, copy of the acknowledgment this day received from the Imperial foreign office to my note No. 78, of August 5 last, addressed to His Excellency Baron von Rotenhan, acting Imperial secretary of state for foreign affairs, in regard to the pending application of the Mutual Life Insurance Company and the New York Life Insurance Company for permission to resume business in Prussia, copy of which note accompanied my dispatch No. 101, August 5, 1896.

I have, etc.,

EDWIN F. UHL.

[Inclosure in No. 108.—Translation.]

*Baron von Rotenhan to Mr. Uhl.*BERLIN, *August 10, 1896.*

Referring to the note of the 5th instant, the undersigned has the honor to inform his excellency, the ambassador extraordinary and plenipotentiary of the United States of America, Mr. Edwin F. Uhl, that he has not failed to again call the attention of the Prussian minister of the interior to the matter of the American life insurance companies, "the Mutual," and "the New York." The undersigned has also made use of the above note for that purpose, and he expresses the hope that he, after it has been brought to the attention of the minister of the interior, will be able to acquaint the ambassador with his decision at an early date.

The undersigned avails himself, etc.,

ROTENHAN.

Mr. Adee to Mr. Uhl.

No. 143.]

DEPARTMENT OF STATE,
Washington, August 21, 1896.

SIR: I have to acknowledge the receipt of your No. 101, of the 5th instant, inclosing a copy of your note of the same date to the imperial German foreign office recalling its attention to the applications of the Mutual Life Insurance Company, of New York, and of the New York Life Insurance Company for permission to resume business in Prussia.

Your course in regard to the matter is fully approved by the Department.

I am, etc.,

ALVEY A. ADEE,
Acting Secretary.

Mr. Uhl to Mr. Olney.

[Telegram.]

BERLIN, *November 28, 1896.*

Minister for foreign affairs promises an early decision insurance cases. No intimation as to result.

UHL.

Mr. Uhl to Mr. Olney.

No. 224.] EMBASSY OF THE UNITED STATES OF AMERICA,
Berlin, December 24, 1896.

SIR: I have the honor to report that I have had within the past few weeks several interviews with His Excellency Baron Marschall von Bieberstein, Imperial secretary of state for foreign affairs, concerning the pending applications of the American life insurance companies for permission to renew business in Prussia. In the latter part of October I called upon his excellency and requested that if consistent the decision might be made known to me before the beginning of December. I again took occasion at this interview to represent to his excellency the great interest which was felt by the Government and the people of the United States in the favorable disposition of this matter, and expressed the earnest hope that the President might be able, in his then forthcoming annual message to the Congress, to announce that the application of the companies had been granted. I had before this stated to the Prussian minister of the interior that if in the examination then proceeding further showing upon any apparently doubtful point was found to be necessary or convenient I should be pleased to be informed in that regard and would see to it that the additional information was promptly supplied.

In the interview last referred to with his excellency, I was told by him that he expected a decision would be reached before the date suggested by me. I saw him on the 28th ultimo. The subject was again referred to. He then said he was confident he should be able to announce to me the decision within eight or nine days. Very shortly after this meeting he became ill, was confined to his residence for several days, and was again at the foreign office for the first time yesterday. I at once sought and obtained an interview, reminded him that the time had passed within which I had been led to hope the expected decision would be made known. I was informed by him that by reason of his

recent illness he had been unable to review the report, which was in his possession. I found him disinclined to express any opinion upon the merits of the pending cases. I was unable from the entire interview to extract any great confidence in an early favorable decision. The not infrequent reference in this connection by his excellency to the recent proclamation of the President (which he deprecated, and as to which I had not called) in the matter of tonnage taxes, light-house dues, etc., the effect of which puts ships from German ports entering our own upon "an even keel" with ships from the United States entering German ports, impressed me.

I took occasion during the interview to suggest that the legislature of the State of New York would meet early in January next, and that the readmission of the American companies into Prussia would doubtless materially aid the Prussian insurance companies now seeking to do business in that State, and I also referred to the possible attitude of the legislatures of several other States with reference to the business of Prussian companies within their several jurisdictions, as indicated by bills introduced therein at the last session.

He finally said that as the ultimate decision rested with the Prussian ministry he could not definitely say when it would be made, but he hoped it would be reached early in the new year.

I have, etc.,

EDWIN F. UHL.

Mr. Uhl to Mr. Olney.

No. 251.]

EMBASSY OF THE UNITED STATES,
Berlin, January 23, 1897.

SIR: From interviews had this day by myself with Privy Councillor Wermuth, of the Imperial home office, and by Mr. Jackson with His Excellency Dr. von Boetticher, the head of that office, I am informed that the pending applications of the American insurance companies for readmission to Prussia, together with the accompanying papers submitted by the companies, and the reports of the experts, etc., are now before the Prussian ministry of state, of which Dr. von Boetticher is the vice-president, and that it is expected very soon to have the question made the order of the day, so that a final decision in regard to it may be made.

I have, etc.,

EDWIN F. UHL.

Mr. Uhl to Mr. Olney.

[Telegram.]

BERLIN, *January 25, 1897.*

Adelson, representative New York Life, here. Informs me he has nothing more to present to Russian ministry of state, either in the form of statement or argument.

UHL.

Mr. Uhl to Mr. Olney.

No. 257.]

EMBASSY OF THE UNITED STATES,
Berlin, January 28, 1897.

SIR: On the 24th instant, Sunday, I received your telegraphic instruction, as follows:

UHL, *Ambassador, Berlin:*

New York Life Company is advised that Prussian council meets next week, and asks your offices to procure hearing before such council in behalf of American insurance companies. If the agents of the companies are prepared to go before **such council in concert**, with full statements and carefully prepared argument, you will use good unofficial offices to procure such hearing.

OLNEY.

On the following morning I sent for and had a conference with Mr. von Adelson, the local representative of the New York Life Insurance Company, and informed him of the instruction received. To my question whether he desired, on behalf of his company, to submit to the Prussian ministry of state any further showing either in the form of statement or argument, he replied that he did not, that he had nothing additional to present and did not desire a hearing for such purpose. He further informed me that the companies in their presentation were not acting in concert, but that each company had presented its case on its individual merits. Of the result of this interview I advised you by telegraph as follows:

OLNEY, *Secretary, Washington:*

Adelson, representative New York Life here, informs me he has nothing more to present to Prussian ministry of state, either in the form of statement or argument.

UHL.

During the past seven months I have had frequent interviews with the local representatives of the Mutual Life and New York Life Insurance companies, and more than once, while the examination was proceeding before the ministry of the interior asked such representatives whether their several companies wished to make any presentation beyond that already submitted, urging that, if upon any point their cause could be supplemented or strengthened it should be done at once. In each instance their reply was that the case made was full and perfect, to which nothing could be added.

It thus appearing from my interview with Mr. von Adelson, that there was no occasion to make application for a hearing as suggested before the Prussian ministry, the remaining question, i. e., whether such request would in any event be entertained, became unimportant. I understand, however, that without a doubt it would not be met with favor.

The Prussian ministry of state is composed at present of the following officials:

His Highness Prince zu Hohenlohe-Schillingsfürst, chancellor of the Empire, president of the Prussian ministry of state, minister of foreign affairs, etc.

His Excellency Dr. von Boetticher, vice-president of the ministry of state, imperial German secretary of state for home affairs, etc.

His Excellency Dr. von Miquel, minister of finance.

His Excellency Thielen, minister of public works.

His Excellency Dr. Bosse, minister for spiritual, educational, and medicinal affairs.

His Excellency Baron Marschall von Bieberstein, minister of state, actual privy councillor, imperial secretary of state for foreign affairs.

His Excellency Baron von Hammerstein-Loxten, minister of agriculture, etc.

His Excellency Schnöstedt, minister of justice.

His Excellency Baron von der Recke von der Horst, minister of the interior.

His Excellency Brefeld, minister of trade and commerce.

His Excellency Lieutenant-General von Gossler, minister of war.

The deliberations of this collective body are not public. They are confidential, and not disclosed. No oral arguments are permitted nor appearances granted to parties interested in questions pending before it. Hearings are not refused by the several members of the ministry, and they have been granted to myself, to the secretary of the embassy, and to the representatives of the companies in the matter of their pending applications whenever requested.

I have, etc.,

EDWIN F. UHL.



ESTIMATE OF APPROPRIATION FOR ARMAMENT OF
FORTIFICATIONS.

FEBRUARY 20, 1897.—Referred to the Committee on Appropriations and ordered to
be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY
TRANSMITTING COPY OF A COMMUNICATION FROM THE SEC-
RETARY OF WAR SUBMITTING AN ESTIMATE OF APPROPRIA-
TION FOR ARMAMENT OF FORTIFICATIONS, FOR THE PURCHASE
OF MACHINE GUNS FOR THE FISCAL YEAR 1898.

TREASURY DEPARTMENT,
February 20, 1897.

SIR: I have the honor to transmit herewith, for the consideration of
Congress, copy of a communication from the Secretary of War, of the
19th instant, submitting an estimate of appropriation for armament of
fortifications, for the purchase of machine guns for the fiscal year 1898,
\$20,000.

Respectfully, yours,

S. WIKE, *Acting Secretary.*

The PRESIDENT OF THE SENATE.

WAR DEPARTMENT,
Washington City, February 19, 1897.

SIR: I have the honor to forward herewith for transmission to Con-
gress estimate (\$20,000) of appropriation for "Armament of fortifica-
tions" required for the use of the War Department for the service of
the fiscal year ending June 30, 1898.

Very respectfully,

DANIEL S. LAMONT,
Secretary of War.

The SECRETARY OF THE TREASURY.

OFFICE OF THE CHIEF OF ORDNANCE,
UNITED STATES ARMY,
Washington, D. C., February 18, 1897.

SIR: I have the honor to submit herewith a special estimate of
\$20,000 for the purchase of machine guns of approved musket caliber,
of American manufacture, for transmission to Congress, as an addition
to my annual estimate for the armament of fortifications.

The Department has on hand a sufficient number of these guns to meet immediate requirements, but the guns will be needed to meet the requirements of the Chief of Engineers for the fortifications as stated in his estimates, and it is desirable that a small number of these guns should be manufactured each year in order that the plant for the manufacture of the guns may be maintained.

Very respectfully,

D. W. FLAGLER,
Brig. Gen., Chief of Ordnance.

The SECRETARY OF WAR.

Estimates of appropriations required for the service of the fiscal year ending June 30, 1898, by the Ordnance Department, United States Army.

Armament of fortifications:

For the purchase of machine guns of approved musket caliber, of
American manufacture (act of June 6, 1896, vol. 29, p. 258, sec. 1)... \$20, 000
Amount appropriated for the current fiscal year ending June 30, 1897.. 3, 852, 448

○

PROTECTION OF FUR-SEAL HERD IN ALASKA.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING,

IN RESPONSE TO SENATE RESOLUTION OF THE 17TH INSTANT,
A REPORT FROM THE SECRETARY OF STATE TOUCHING THE
REPLY OF THE BRITISH GOVERNMENT IN REGARD TO THE
FAILURE OF THE NEGOTIATIONS OF THE PARIS TRIBUNAL TO
PROTECT THE FUR-SEAL HERD OF ALASKA.

FEBRUARY 20, 1897.—Referred to the Committee on Foreign Relations and ordered to
be printed.

To the Senate:

I transmit herewith, in answer to the resolution of the Senate of the 17th instant, a report from the Secretary of State touching the reply of the British Government in regard to the failure of the negotiations of the Paris Tribunal to protect the fur-seal herd of Alaska.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, February 20, 1897.

The PRESIDENT:

The Secretary of State, to whom was addressed a resolution adopted in the Senate of the United States on the 17th instant, requesting him—

to furnish for the information of the Senate a copy of the reply, if any has been made, to the letter addressed by Mr. Gresham to Sir Julian Pauncefote, dated "Department of State, January 23, 1895" (it appears as No. 128, Senate Executive Document No. 67, Fifty-third Congress, third session, pp. 160-161), calling the attention of the British Government to the utter failure of the regulations of the Paris Tribunal to protect the fur-seal herd of Alaska, and requesting a revision of the same—

has the honor to lay before the President, with a view to its communication to the Senate in response to the resolution, a copy of the printed volume entitled "Papers relating to the foreign relations of the United States, with the Annual Message of the President transmitted to Congress December 2, 1895, Part I," wherein the paper so requested is found

on pages 618-623. It is in the form of instructions addressed to the British ambassador in Washington, under date of May 17, 1895, of which a copy was handed to Mr. Acting Secretary Uhl by Sir Julian Pauncefote on May 27, 1895.

The same volume also contains a response in part to the described note of Mr. Secretary Gresham of January 23, 1895, being a note from Sir Julian Pauncefote to Mr. Gresham, transmitting copies of a report from the Canadian minister of marine and fisheries respecting the catch of the Canadian sealing fleet in the North Pacific during the season of 1894 (pp. 593-608).

Reference may also be appropriately made to Mr. Acting Secretary Uhl's note to Sir Julian Pauncefote, No. 99, of May 10, 1895, reciting and supplementing the considerations advanced in Mr. Gresham's aforesaid note of January 23, 1895, to which at that time no answer had yet been made. (Ibid., pp. 610-615.)

Respectfully submitted.

RICHARD OLNEY.

DEPARTMENT OF STATE,

Washington, February 19, 1897.

Accompaniment: Volume of Foreign Relations of the United States for 1895, Part I.



MARIA SOMERLAT.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

RETURNING,

WITHOUT HIS APPROVAL, SENATE BILL NO. 1323, ENTITLED "AN ACT GRANTING A PENSION TO MARIA SOMERLAT, WIDOW OF VALENTINE SOMERLAT."

FEBRUARY 22, 1897.—Referred to the Committee on Pensions and ordered to be printed.

To the Senate:

I return herewith without approval Senate bill numbered 1323, entitled "An act granting a pension to Maria Somerlat, widow of Valentine Somerlat."

This beneficiary, under the name of Maria Somerlot, was pensioned in 1867 as the widow of Valentine Somerlot, a volunteer soldier, dating from his death in 1864. She continued to draw the pension allowed her as such widow until 1881 when she married one Hiram Smith. Subsequently, but at what time does not appear, she was divorced from Smith in a suit that seems to have been begun by him but in which she interposed a cross bill and obtained judgment in his favor. Notwithstanding her remarriage, through which she ceased to be the widow of the dead soldier, it is proposed to pension her again on account of his death.

The rule governing the operation of general pension laws, which forfeits a widow's pension on her remarriage, seems so reasonable and just, and its relaxation must necessarily lead to such a departure from just principles and to such vexatious pension administration, that I am convinced it ought to be strictly maintained.

I hope I may be permitted to call the attention of the Senate to the increasing latitude clearly discernible in special pension legislation. It has seemed to me so useless to attempt to stem the tide of this legislation by Executive interference that I have contented myself with nonacquiescence in numerous cases where I could not approve.

There have been already presented to me for Executive action during the present session of the Congress two hundred and six special pension bills, of which I have actually examined one hundred and fifteen. The entire number of such bills that have become laws during the four sessions of the Congress since March 4, 1893, is three hundred and

ninety-one. Some of those presented at the present session are not based upon the least pretext that the death or disability involved is related to army service, while in numerous other cases it is extremely difficult to satisfactorily discover such relationship.

There is one feature of this legislation which I am sure deserves attention. I refer to the great number of special bills passed for the purpose of increasing the pensions of those already on the rolls. Of the one hundred and fifteen special pension bills which I have examined since the beginning of the present session of the Congress, fifty-eight granted or restored pensions, and fifty-seven increased those already existing, and the appropriation of money necessary to meet these increases exceeds considerably the amount required to pay the original pensions granted or restored by the remaining fifty-eight bills.

I can not discover that these increases are regulated by any rule or principle, and when we remember that there are nearly a million pensioners on our rolls and consider the importunity for such increase that must follow the precedents already made, the relation of the subject to a justifiable increase of our national revenues can not escape attention.

GROVER CLEVELAND.

EXECUTIVE MANSION, *February 22, 1897.*

[Fifty-fourth Congress of the United States of America; at the second session, begun and held at the city of Washington on Monday, the seventh day of December, one thousand eight hundred and ninety-six.]

AN ACT granting a pension to Maria Somerlat, widow of Valentine Somerlat.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Maria Somerlat, widow of Valentine Somerlat, late a private in Company A, Twenty-ninth Regiment Indiana Volunteers, and to pay her a pension at the rate of twelve dollars per month.

THOMAS B. REED,
Speaker of the House of Representatives.

A. E. STEVENSON,
Vice-President of the United States and President of the Senate.



THE CATAWBA TRIBE OF INDIANS.

FEBRUARY 23, 1897.—Ordered to be printed as Senate document for use of Committee on Indian Affairs.

Mr. PETTIGREW presented the following

MEMORIAL ON BEHALF OF THE INDIVIDUALS FORMERLY COMPRISING AND BELONGING TO THE CATAWBA TRIBE OF INDIANS, AND ACCOMPANYING PAPERS.

DEPARTMENT OF THE INTERIOR,
Washington, February 1, 1897.

SIR: I have the honor to acknowledge the receipt of your communication of 23d ultimo, with the following papers:

* * * * *

A memorial on behalf of the individuals formerly comprising and belonging to the Catawba tribe of Indians.

In response thereto I transmit herewith copy of a communication of 29th instant from Commissioner of Indian Affairs, to whom the matter was referred.

* * * * *

I return herewith the memorial of the Catawbas, and transmit herewith copies of the correspondence referred to in the Commissioner's letter, which contains, it is stated, a full and complete testimony of those Indians as described from the files and records of his office and other sources, with his views concerning the policy to be adopted regarding them.

Very respectfully,

D. R. FRANCIS,
Secretary.

The CHAIRMAN COMMITTEE ON INDIAN AFFAIRS.

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, January 29, 1897.

SIR: I am in receipt, by Department reference, of * * * a memorial in behalf of the individuals formerly comprising and belonging to the Catawba tribe of Indians, with request that the inquiries contained in said memorial be answered and information concerning the statements therein and the appended memorandum be furnished.

* * * * *

The memorial submitted by Senator Pettigrew is signed by James

Bain, president, and George E. Williamson, secretary, of the Catawba Indian Association, and they ask, on behalf of the individuals formerly comprising and belonging to the Catawba tribe of Indians, to be informed "as to the status of the tribal lands of the Catawba Indians formerly occupied by the Catawba tribe of Indians in the Carolinas, and to secure anything that may be due them as accruing from said lands; and also to receive any or further relief, help, or benefits they may be found, upon careful investigation of the facts in their case, to be entitled to receive in right, justice, or equity from the United States or otherwise in the matter of new homes in the West or to their lands in the East."

In answer to this memorial, I respectfully inclose herewith a copy of a letter from this office, dated January 16, 1896, addressed to Hon. H. M. Teller, United States Senate; also a copy of a letter from this office, dated March 28, 1896, addressed to R. V. Belt, esq., of this city. These letters give a full and complete history of these Indians, as disclosed from the files and records of this office, concerning the policy that should be adopted respecting them.

The communication of Senator Pettigrew and the inclosures referred to therein are herewith returned.

Very respectfully, your obedient servant,

D. M. BROWNING,
Commissioner.

The SECRETARY OF THE INTERIOR.

MEMORIAL.

To the Senate and House of Representatives of the United States of America in Congress assembled:

Your petitioners come representing that they are the representatives of the individuals and their descendants who were formerly the members of the Catawba tribe of Indians that owned and occupied lands in the States of North Carolina and South Carolina; that in pursuance of the policy of the United States to remove all of the Indian tribes to new homes to be provided for them west of the Mississippi River, Congress passed an act July 29, 1848, appropriating \$5,000 for the removal of the Catawba Indians, with their own consent, to the west of the Mississippi River, and for settling and subsisting them one year in new homes first to be obtained for them (9 Stat. L., 264); that nothing was accomplished under this act; that the provisions and the appropriation thereof were reenacted in the act of July 31, 1854 (10 Stat. L., 316); that some efforts were made to secure for the Catawbas new homes among the Choctaw and Chickasaw Indians of the Indian Territory, and under the encouragement of hopeful results, and of the laws of Congress on the subject, many of the Catawba Indians left their lands and homes in the Carolinas and journeyed at their own expense to the country west of the Mississippi River, hoping and expecting to be there furnished with and located and subsisted for one year upon new homes; that the Department of the Interior has so far failed to accomplish anything toward securing for the Catawbas such new homes or in doing anything in their behalf as was contemplated and expected under the provisions of the laws referred to; that the Catawbas reached the States and Territories bordering on the then Indian Territory, where they expected to be settled in new homes, but have been left stranded in that

Territory and in the neighboring States, where they have had to seek a livelihood as best they could, without any land upon which they could build homes for themselves and families; that they are in great need, and are very anxious to be given lands, homes, or allotments in any of the lands that now are or that may hereafter become available for that purpose in the Indian Territory or in Oklahoma Territory; that they desire to be informed as to the status of the tribal lands of the Catawba Indians formerly occupied by the Catawba tribe of Indians in the Carolinas, and to secure anything that may be due them as accruing from said lands; and also to receive any other or further relief, help, or benefits they may be found, upon careful investigation of the facts in their case, to be entitled to receive in right, justice, or equity from the United States or otherwise in the matter of new homes in the West or as to their lands in the East; and they pray that all these matters may be inquired into and such action be taken in their behalf as the facts may warrant, demand, and require.

And your petitioners will ever pray.

Fort Smith, Ark., December 7, 1896.

JAMES BAIN,

President of Catawba Indian Association.

GEO. E. WILLIAMSON,

Secretary Catawba Indian Association.

CATAWBA INDIANS.

The present location and number of those Catawba Indians who went West, expecting to be located on lands west of the Mississippi River by the Department of the Interior, are as follows, as furnished by James Bain, president of the Catawba Indian Association, at Fort Smith, Ark.:

Greenwood, Ark., 44; Barber, Ark., 42; Crow, Ark., 13; Oak Bower, Ark., 3; Enterprise, Ark., 6; Fort Smith, Ark., 17; total Arkansas, 125.

Checotah, Ind. T., 17; Texanna, Ind. T., 15; Jackson, Ind. T., 15; Star, Ind. T., 34; Panther, Ind. T., 22; Oaklodge, Ind. T., 10; Redland, Ind. T., 4; Rainville, Ind. T., 2; Indianola, Ind. T., 3; Center, Ind. T., 4; Ward, Ind. T., 3; Sacred Heart, Okla., 1; Steigler, 2; total, 132.

Grand total, 257.

DEPARTMENT OF THE INTERIOR, OFFICE OF INDIAN AFFAIRS,
Washington, January 16, 1896.

SIR: I am in receipt of your letter of January 9, 1896, inclosing one from P. H. Head, a Catawba Indian, of Sanford, Colo., submitting a petition purporting to have been signed by himself and twenty-five others, embracing six families, who claim to have once resided in South Carolina but are no longer "recognized" by said State, and asking to be united with the Ute Indians now living on the Uintah Reservation, and to be recognized by the Government as members of said Ute tribe, receiving and enjoying in common with them all rights and privileges and the protection of the Government. Mr. Head, in his letter, intimates that this petition will be followed by one signed by the Ute Indians in Utah.

You ask that the matter may receive my attention, and advice given as to what steps are necessary to have this change made.

In reply I have to say that it is the policy of the Government to abolish the tribal relations of the Indians as fast as possible, and to settle each Indian upon a separate tract of land that he can call his own, to the end that he may become self-supporting and independent of Government bounty. It would not be in keeping with this policy, I think, to gather up people who happen to have more or less Indian blood in their veins and are living among the whites, separate and apart from Indian

communities, and incorporate them into a tribe and place them upon an Indian reservation.

The general allotment act of 1887 wisely provided for Indians who were not living upon any reservation at the date of the passage of said act, or for whose tribe no reservation had been created, by allowing them to apply for and secure to themselves lands upon the public domain whether surveyed or unsurveyed. For the information of your petitioners I inclose herewith a copy of the general allotment act of 1887 and the amendment thereto of 1891, also copy of the rules and regulations indicating the manner of procedure to obtain an allotment of lands upon the public domain.

To answer your question directly as to what steps would be necessary to have these people united to the Indian tribe occupying the Uintah Reservation in Utah, I have to say that where there are no specific treaty stipulations with any given tribe touching such matters, as is the case with these Ute Indians, the usual course pursued is to obtain the consent of the tribe to which an Indian desires adoption and then have such adoption approved by this office and the Secretary of the Interior; any such consent must be procured under the eye of the agent and should bear his certificate to the effect that the action of the Indians in adopting such Indian represented the wishes of the tribe and was taken in open council. This briefly would be the proper course to pursue in order to obtain adoption into an Indian tribe.

The petition, with Mr. Head's letter, is herewith respectfully returned.

Very respectfully,

D. M. BROWNING, *Commissioner.*

Hon. H. M. TELLER, *United States Senate.*

DEPARTMENT OF THE INTERIOR, OFFICE OF INDIAN AFFAIRS,
Washington, March 28, 1896.

SIR: I am in receipt of your letter of February 22, transmitting in pamphlet form a "petition and memorial in the matter of claims and demands of the Catawba Indian Association to the United States," published at Fort Smith, Ark., giving the proceedings of a convention of Catawba Indians held in that city April 15, 1895, called for the purpose of considering the condition, status and welfare of all Catawba and nonreservation Indians, and to take action in procuring an allotment of land under the fourth section of the general allotment act of February 8, 1887 (24 Stat. L., p. 388), as amended by the act of February 28, 1891 (26 Stat. L., p. 795).

This memorial purports to come from the Catawba Indians comprising, they allege, "all persons of Catawba Indian descent, and their descendants, including all persons who have intermarried with Catawba Indians, and all persons of mixed Catawba and white blood and descent, residing in any of the States or Territories of the United States or in the Indian Territory;" claiming further that the United States has never made any provision for them in giving them a grant or title to large tracts of the public domain as it has done with the Cherokees, Creeks, and other tribes, only giving to them a small tract of land in South Carolina, although belonging to the same group of Indians as the Cherokees and Creeks; that the United States has made no provision for them whatever to occupy and use any of the public domain belonging to the United States, except the aforesaid small tract of land in South Carolina, unless it be to take allotments under the aforesaid section 4 of the act of 1887, as amended by the act of 1891, and asking for such Executive action or Congressional legislation as may be necessary to secure to them equal rights with other Indians to share in the public domain belonging to the United States.

In your letter, transmitting this petition and memorial, you state that you are requested to ascertain (1) whether or not the Catawbas have any tribal lands in the States of North or South Carolina to which the tribal title has not been ceded or extinguished; (2) whether there is any reason why these individual Indians may not take up lands in severalty on the public domain as provided in said section 4 of the act of 1887.

You suggest that arrangements might be made whereby they could take land in severalty within the Kiowa and Comanche and Wichita reservations, Oklahoma Territory, when the unallotted lands of said reservation shall be opened to public settlement, or between the time of the ratification of their agreements and the issue of the President's proclamation opening the same to settlement, or even before the ratification of said agreement, etc.

In reply I have to state that the Catawba Indians are a division of North American Indians, which included in the last century about twenty-eight confederated tribes. A few of these were in North Carolina, but most of them were in South Carolina. The principal tribe in the latter State was the "Kataba," and the chief one in the

former was the "Woccon." The few survivors of this people are on the Catawba Reservation in York County, S. C. They do not belong to the Muskhogean linguistic stock of North American Indians, as intimated in the memorial, but to the Siouan stock, while the Cherokees belong to the Iroquoian stock.

In a publication entitled *Statistics of South Carolina*, by Robert Mills, published in 1826, in Charleston, S. C., by Hurlbut and Lloyd, pages 104-129, is given a history of the "Indians or aborigines of the country," to the effect that South Carolina, when first settled by the English, was inhabited by numerous tribes of Indians, whose settlements extended from the ocean to the mountains. From documents extant in the Secretary of State's office, and other sources which may be relied on, Mr. Mills concluded that the number of these different nations or tribes exceeded twenty-eight. The Westoes and Savannahs were the two most potent tribes. A right to the soil of the country was grounded upon the acknowledged truth of this doctrine, that the earth was made for man, and was intended by the Creator of all things to be improved for the benefit of mankind. These wild lands, therefore, were not recognized as the separate property of the few savages who hunted over them, but belonged to the common stock of mankind. This doctrine is agreeable to the judicial determination of the courts of South Carolina with respect to rights in land, derived solely from uninterrupted possession for a term formerly of five, now (1826) of ten years.

But most of the first settlers of Carolina, not satisfied to rest their right of soil upon the law of nature and their government, made private purchases from the Indians; and the government (State) itself entered into treaties with the aborigines. The first public deed of conveyance by the Indians found on record is dated March 10, 1675.

In giving a description of the names, location, and number of Indian tribes in Carolina about the year 1700 he gives the following on page 108:

"The Catawbias, Sugaree, on Sugar Creek, Lancaster district, occupied the country above Camden on each side of the river of the same name; a small remnant of this tribe of Indians still occupies a tract of country, laid off 15 miles square, lying partly in York and partly in Lancaster districts, on both sides of the river."

Speaking of the population, he states (p. 114):

"The Catawbias are now reduced, from habits of indolence and inebriation, to very few; their number does not exceed 110 of every age. In 1700 (some years after the first settlement of Carolina) they mustered 1,500 fighting men; this would give the population of the nation at that time between 8,000 and 10,000 souls; about the year 1743 the Catawbias could only bring 400 warriors into the field, composed partly of refugees from various smaller tribes, who, about this time, were obliged by the state of affairs to associate with them, on account of their reduced numbers. Among these were the Watteree, Chowan, Congaree, Nachee, Yamassee, and Coosah Indians. At present not 50 men can be numbered in the list of their warriors. * * * The remains of this nation now occupy a territory 15 miles square, laid out on both sides of the Catawba River, and including part of York and Lancaster districts. This tract embraces a body of fine lands, timbered with oak, etc. These lands are almost all leased out to white settlers for ninety-nine years, renewable at the rate of from \$15 to \$20 per annum for each plantation of about 300 acres. The annual income from these lands is estimated to amount to about \$5,000. This sum, prudently managed, would suffice to support the whole nation, now composed of about 30 families, comfortably. Yet these wretched Indians live in a state of abject poverty, the consequence of their indolence and dissipated habits. They dun for their rent before it is due, and the \$10 or \$20 received are frequently spent in a debauch; poverty, beggary, and misery follow for a year. * * *

"The Catawbias have two villages, one on each side of the river. The largest is Newtown, situated immediately on the river bank; to the other, which is upon the opposite side, they have given no name, but it is generally called Turkeyhead.

"Kings Bottom is a very rich tract of land on the river which the Indians have had sense enough to reserve for their children."

In his description of the county of Lancaster, page 595, he states:

"The first settlement was made in this district by emigrants from Pennsylvania and Virginia about the year 1745, and called the Waxhaws, from the name of the creek on which the principal settlements were located (then supposed to be within the bounds of North Carolina). These settlements were made in the neighborhood of the Catawbias, then a powerful and warlike tribe of Indians, whose chief town was situate on the west side of Sugar Creek (more properly Sugawee, that being the ancient Indian name), just opposite to the mouth of Little Sugar Creek. The site of this ancient town is now in York district and under cultivation in the plantation of Mr. Alderson, but not a vestige of it is to be seen.

"About the year 1750 the early settlers of the Waxhaws became in a great measure rid of their powerful and dangerous neighbors, the Indians, as the smallpox broke out among them and carried off, from the best information, three-fourths of the whole tribe. Shortly afterwards they leased most of their lands on Sugar Creek to

some of the emigrants and removed and settled in the towns where they now reside."

In his description of the county of York, page 771, he states:

"This section of country was settled about the year 1760, principally from Pennsylvania and Virginia. Its name may be traced to York, in Pennsylvania, from whence some of the first settlers came. * * * There are no other settlements, as villages, in the district, except the Indian settlements on Catawba River. These Indians have two towns. The most important is called Newtown, situated immediately on the river; the other is on the opposite side, and is called Turkeyhead. The Indian lands occupy an extent of country on both sides of the river equal to 180 square miles or 115,200 square acres. The most of this has been disposed of by them to the whites in leases for ninety-nine years, renewable. The rent of each plantation is from \$10 to \$20 per annum. * * * The Catawba Nation could, at the first settlement of the State, muster 1,500 fighting men; at present their warriors do not exceed 30."

For your information I inclose a sketch of a portion of a map of South Carolina and North Carolina, showing the aforesaid reservation of 180 square miles.

Schoolcraft, in his history of the Indian tribes of the United States, volume 3, page 293, has an article on "Carolina manuscript respecting the origin of the Catawbas." In this paper he states that:

"The Catawbas were a Canadian tribe. The Connewangos were their hereditary enemies, and, with the aid of the French, were likely at last to overwhelm them. The Catawbas, judging correctly of their perilous condition, determined on a removal to the vicinity of the English settlements. They set out from their ancient homes about the year 1650, crossed the St. Lawrence, probably near Detroit, and bore for the headwaters of the Kentucky River. The Connewangos all the time kept in full pursuit. The fugitives, embarrassed with their women and children, saw that their enemies would overtake them, chose a position near the source of the Kentucky, and there awaited the onset of their more powerful adversaries. Turning, therefore, upon their pursuers, with the energy desperation sometimes inspires, they gave them a terrible overthrow. This little nation, after their great victory, without proper regard to policy, divided into two bands. The one remained on the Kentucky, which was called by the hunters the Catawba, and were in time absorbed into the great families of the Chickasaws and Choctaws. The other band settled in Botetourt County, Va., upon a stream afterwards called Catawba Creek. They remained there but a few years; their hunters, pressing on to the south, discovered the Catawba River, in South Carolina (Eswa Tavora), and the entire Virginia band (about 1660) came in a body to effect a permanent settlement on that stream. * * *

"In the year 1735 the nation had in reservation only 30 acres of their large and fertile territory, not a foot of which was in cultivation. In the history of South Carolina, Ramsey solemnly invokes the people of South Carolina to cherish this small remnant of a noble race, always the friends of the Carolinians, and ready to peril all for their safety. They never have shed a drop of American blood, nor stolen property to the value of a cent. They have lost everything but their honesty. Hagler or Haigler was a great man, and the nation still speak of him with much feeling. They have never looked up since his death." *

Hagler or Haigler was succeeded by King Prow or Frow in 1765, who reigned but a short time. On his death, General Newriver, who had gained a splendid victory on New River in Virginia over the Northern Indians, was called to rule over them, they having determined, in imitation of their white brethren, to repudiate royalty. He was succeeded by General Scott, the grandson of King Hagler or Haigler, and afterwards by Colonel Ayres.

In an appendix to the Laws of the Colonial and State Governments relating to Indians and Indian affairs, from 1633 to 1831, inclusive, published in Washington City in 1832 by Thompson & Homans, is given the "Proceedings of the Congress of the Confederation relating to Indians and Indian Affairs."

On page 15 of said appendix, under date of November 2, 1782, appears the following, viz:

"The committee, consisting of Mr. Duane, Mr. Ramsey, and Mr. Wharton, to whom was referred a letter of the 1st, from the Secretary of War, report:

"That they have had a conference with the two deputies of the Catawba Nation of Indians; that their mission respects certain tracts of lands reserved for their use in the State of South Carolina, which they wish may be so secured to their tribe as not to be intruded into by force, nor alienated even with their own consent; whereupon,

"Resolved, That it be recommended to the legislature of the State of South Carolina to take such measures for the satisfaction and security of the said tribe as the said legislature shall, in their wisdom, think fit."

* Assassinated by Shawnees in 1762.

In Brevard's Digest of the Laws of South Carolina, vol. 1, title 96, Indians, among other things appears the following, adopted in 1808, viz:

"SEC. 8. Whereas it is expedient that the Catawba Indians should have the power to grant and make leases for life or lives, as well as for terms of years, of the lands vested in them by the laws of this State:

"SEC. 9. *Be it therefore enacted*, That from and immediately after the passing of this act it shall and may be lawful for the Catawba Indians to grant and make to any person or persons, any lease or leases, for life or lives or term of years, of any of the lands vested in them by the laws of this State: *Provided*, That no lease shall exceed the term of ninety-nine years or three lives in being.

"SEC. 10. *And be it further enacted*, That the governor for the time being shall be authorized, and he is hereby required to appoint five fit and proper persons to superintend the leasing of the lands of the Catawba Indians in manner aforesaid, and no lease of the lands of the Catawba Indians hereafter to be made, whether for life or lives or term of years, shall be held or deemed as valid and good in law unless the same be witnessed by a majority of the said superintendents at the time of making thereof, and signed and sealed by at least four of the head men or chiefs of the said Catawba Indians: *Provided*, That an annual rent be reserved as a compensation for such lease.

"SEC. 11. *And be it enacted*, That the said superintendent shall be commissioned for the purpose aforesaid, for seven years; which commission shall be recorded in the office of secretary of state, and an office copy thereof shall be taken and received as good evidence in any courts of law or equity within this State as the original would be if produced in any case wherein it might be necessary to produce such original commission.

"SEC. 12. *And be it further enacted*, That all acts and clauses of acts or resolutions repugnant hereto be, and the same are hereby, repealed.

"SEC. 13. Whereas many inconveniences have been experienced by the lessees of the Catawba Indians, as well as by the Indians themselves, under the operation of an act passed in the year of our Lord one thousand eight hundred and eight, which act ordains 'That no payments shall at any time be made for such lease, or any part thereof, for more than three years' rent in advance, and that no payments shall be deemed or held to be valid unless the same be made conformably to this act, and receipts therefor given by such of the chiefs of the nation as usually transact their affairs, and by a majority of the said superintendents.

"SEC. 14. *And be it further enacted*, That no payments shall be hereafter made for such lease, or any part thereof, for more than seven years' rent in advance, and that no payments shall be held or deemed valid unless receipts therefor be given and attested by one of the said superintendents.

"SEC. 15. *And be it further enacted*, That a lease for three years or ninety-nine years of the said Catawba lands shall be, and the same is hereby, declared to be a qualification equivalent to a freehold in all cases where a freehold is not required by the constitution of this State or of the United States."

In 1815 an act was passed by the legislature of South Carolina entitled "An act to authorize and empower the superintendent of the Catawba Indians to institute actions for trespasses on their lands, and for other purposes therein mentioned." (Colonial Laws, pp. 181, 182.)

"Whereas certain persons now hold possession of the lands belonging to the Catawba Indians, without obtaining a lease for the same from the head men or chiefs of the nation, agreeably to the act of assembly passed the fifteenth day of December, one thousand eight hundred and eight, empowering the said Indians to lease the lands vested in them, and there is no power or authority in any person or persons to institute an action or actions at law to put such persons as hold their lands without a lease out of the possession thereof: For remedy whereof, *Be it enacted by the honorable the senate and house of representatives, now met and sitting in general assembly, and by the authority of the same*, That from and immediately after the passing of this act the superintendents now appointed, or that may be hereafter appointed, by the governor of this State, or a majority of them shall be, and are hereby authorized and empowered, in their own names, or in the names of a majority of them, as agents, to commence and prosecute an action or actions of trespass to try titles to the lands claimed by and vested in the said Indians, that is now or may hereafter be held in possession by any person or persons, without a lease from the head men or chiefs of the said nation of Indians, in pursuance of the act of the general assembly aforesaid; and also in like manner an action or actions of *quare clausum fregit*, for trespasses committed on the said lands; and also actions for injuries done to the personal property of the said Indians; and the damages recovered in any action to try titles, or in any action *quare clausum fregit*, or action for injury done to the personal property of the said Indians, shall be collected by the said superintendents for the benefit of said Indians.

"*And be it enacted by the authority aforesaid*, That the said superintendents, or a

majority of them, shall have power in the same manner as they are authorized to bring actions, to make distress for arrearages of rent now due, or that may hereafter become due, or bring an action or actions to recover the same in any court having jurisdiction.

"And be it further enacted by the authority aforesaid, That this shall be deemed and taken as a public act, and judicially noticed as such without special pleading, and liberally construed for carrying the purposes aforesaid into effect."

In the Indian appropriation act approved July 29, 1848 (9 Stat. L., 264), appears the following:

"Catawba Indians.—For the removal of the Catawba tribe of Indians now in the limits of the State of North Carolina to the Indian country west of the Mississippi, with the consent of said tribe, under the direction of the President of the United States, a sum not exceeding five thousand dollars: *Provided*, No portion of this sum shall be expended for the purpose of removing said Indians until the President shall first obtain a home for them among some of the tribes west of the Mississippi River, with their consent, and without any charge upon the Government."

In a letter dated November 13, 1848, John C. Mullan, a clerk in this office, forwarded a letter, dated October 6, 1848, from one George T. Mason, inclosing at request of the chief of the Catawbas, a memorial of said tribe of Indians at Qualla-town, Haywood County, N. C., dated October 4, 1848, on file in this office (Misc. M., 280), addressed to the President, signed by William Morrison, chief, and the following heads of each Catawba family, viz: Philip Kegg, Lewis Stevens, John Heart, John Scott, Franklin Kenty, Antony George, David Harris, Thomas Stevens, John Harris, Jesse Harris, Nancy George, Sally Harris, Polly Readhead, Patsey George, Harriet Stevens, Betsy Heart, Cynthia Kegg, Patsey George, jr., Mary Ayres, Margaret Ayres, Betsey Ayres, Susan Kegg, Eliza Kenty, Franky Brown, Jinny Joe, Jinny Ayres, Rachael Brown, Easther Scott, Katy Joe, Sally Readhead, William George, Peggy Kenty, Rosa Ayres, Becky George, Polly Harris, Elizabeth Brown, Polly Harris, Mary Joe, Allen Harris, Mary Harris, and James Kegg, comprising 42 persons, all of whom signed by mark, in the presence of Abram Sellers, George T. Mason, and John S. Gibson, requesting the appointment of a reliable and trustworthy business man to superintend their removal west.

In transmitting said memorial Mr. Mullan speaks of him, after several personal interviews held with said chiefs, as an intelligent, respectable Catawba, and of the preference of his people to a home with the Chickasaw Indians West, who, he stated, had at one time given the Catawbas an invitation to settle among them.

In the annual report of this office for the year 1849 (Doc. 5, p. 949), it is stated that—

"The Department has not yet succeeded in finding a suitable home west of the Mississippi for the Catawba Indians residing in North Carolina. They prefer a residence among the Chickasaws, to whom application was made to receive them, but to which there has been no final answer. Proper efforts will be made to carry out, next season, if practicable, the law of July 29, 1848, providing for their removal."

Agent A. M. M. Upshaw was instructed, November 6, 1848 (Chickasaw letter book C, p. 32), to ascertain whether or not the Chickasaw Nation would receive the Catawbas on the terms prescribed by the law.

In said instructions it was intimated that the Department knew very little of the Catawbas, nothing of their origin or of their language and customs, or how they got from their home in South Carolina to Haywood County, in North Carolina. They were believed, however, to be a quiet and well-disposed people, numbering in all about 80 souls. From their location and supposed former alliances with the Cherokees, the impression was entertained that they would prefer a residence with the Cherokees, and steps were taken to ascertain whether or not they would receive the Catawbas on the terms prescribed. Information was subsequently obtained that they would probably object to going to the Cherokees, and expressed a preference to take homes with the Chickasaws. Agent Upshaw responded, on the 8th of January, 1849, that the Chickasaws would probably receive the Catawbas, but that their council must first act on the subject. (Chickasaw U, 55.) It does not appear, however, that the Chickasaw council ever took action on the case.

Subsequently, it appears that the Choctaw council passed an act entitled "An act naturalizing certain persons therein," which was approved November 3, 1853 (Choctaw Laws, 1869, p. 124, as follows, viz:

"SEC. 11. Be it enacted by the general council of the Choctaw Nation assembled, That William Morrison, Thomas Morrison, Sarah Jane Morrison, Molly Redhead, Betsy Heart, Rebecca Heart, Philip Keggio, and infant child of Philip Keggio, Rosey Ayres, Betsey Ayres, Julian Ayres, Mary Ayres, Sponia Ayres, and Sally Ayres be, and they are hereby declared naturalized citizens of the Choctaw Nation, invested with all the rights, privileges, and immunities of naturalized citizens of the same."

Although there is nothing in the act to show the nationality of these persons, you will see, by a comparison of the names attached to the aforementioned memorial of the Catawbas, that they are the same persons. This opinion is corroborated by a

subsequent act of said council, approved November 12, 1856 (Choctaw Laws, 1869, p. 153), entitled "An act giving greater privileges to the Catawbas heretofore naturalized."

"SEC. 18. *Be it enacted by the general council of the Choctaw Nation assembled, That the Catawbas who were made citizens of this Nation by a special act of Session XX, section 11, of 1853, be, and they are hereby, jointly entitled to a full participation in all funds arising under the treaty of 1855 between the Choctaws and the Government of the United States.*"

The Hon. James L. Orr, of Anderson, S. C., and Representative in Congress, having called the attention of this office to the fact that a remnant of the Catawba tribe of Indians, numbering about seventy persons, residing within his State, expressed a desire to become affiliated with the Choctaw people; that they possessed a small reservation in South Carolina that they are willing to sell, and that the proceeds in connection with a contemplated appropriation for their benefit of the legislature of the State, would supply them with a fund amounting, it was presumed, to about \$5,000, sufficient, if properly applied, to enable them to make the improvements necessary to a successful commencement of cultivating the soil, and of other pursuits incident to civilized life, this office instructed C. W. Dean, Superintendent of Indian Affairs, in a letter addressed to him at Fort Smith, Ark., dated January 6, 1857, to direct Agent D. H. Cooper to lay the subject before the Choctaw Nation in council assembled, or otherwise, as he might deem most judicious, inviting attention to the generosity and hospitality of the Choctaws manifested in the reception and kind treatment of a small party of their fellow Catawbas, then living among the Choctaws which had inspired them with confidence in that people, and with an anxious desire to enjoy the same privileges with their brethren who had gone before them in the same enterprise.

He was advised that in the Indian appropriation act approved July 31, 1854 (10 Stat. L., p. 316), the following item appears, viz—

"For the reappropriation for expenses of the removal of the Catawba Indians to the west of the Mississippi River, and of settling and subsisting them one year in their new homes, provided that a home shall first be obtained for them, and that they shall be removed only with their own consent, five thousand dollars."

And it was hoped that the Choctaws would consent to receive this small band of Catawbas, and would permit them to reside within the limits of their territory.

Superintendent Dean reported on this matter March 20, 1857, as follows:

"It is the opinion of Agent Cooper, in which opinion I concur, that nothing can be effected as to the procurement of homes for these Indians among the Choctaws until the next session of the general council of the nation, and I believe it does not again convene until next autumn."

"I was in hope—indeed, from inquiry, was almost satisfied—that the act of the Choctaw council passed at the session of 1853, conferring the privilege of citizenship upon certain Catawba Indians that emigrated and were permitted to settle in the Choctaw country in that year, was made general and comprehensive in its terms, so as to include all the Catawba Indians that might be disposed to cast their lot with them, as there seemed at the time to be an understanding that the greater portion, if not all, the residue of the tribe were desirous of emigrating to the Choctaw country; but I have recently procured a copy of the act of 1853 (a transcript of which is on file in the Indian Bureau), and perceive it is limited and specific in its terms, including only those that emigrated in that year.

"I am further inclined to the belief that the Choctaws were somewhat disappointed that the Catawbas that emigrated at the time mentioned were unable to turn over to the treasury of the nation a certain sum of money that it was supposed they were to receive from the United States for their removal and temporary subsistence, but which amount, instead of being paid into the treasury of the Choctaws, reverted to the surplus fund of the Treasury of the United States. As these Catawbas were invested with the full privileges of the citizens of the Choctaw Nation and became equal participants in the distribution of their annuities, etc., it seems not unreasonable that any fund set apart for the use of these Catawbas should have become a portion of the common stock for the common good; and such, I learn, was the general expectation of all parties when the act of 1853 was passed.

"Agent Cooper gives it as his opinion that on the assembling of the national councils of the Choctaws and Chickasaws there will be no difficulty in providing homes for the residue of the Catawbas in the country now held in common by the Choctaws and Chickasaws, on the payment of a reasonable sum therefor by the United States or by the State of South Carolina.

"Under these circumstances, and as from the tenor of your letter of January 6 the exact provision that may be made for the removal and settlement of the Catawbas of South Carolina appears as yet to be indefinite and unascertained, I beg permission to suggest that the interim that must occur before further action can be had with the tribes be occupied in adjusting definitely and with precision what amount

will be under control of the Department to secure the purposes indicated, so that a proposition determinate in its character may be ready to be laid before the tribes whose cooperation is asked in the premises.

"From Agent Cooper's letter to me on the subject, I beg leave to offer the following extract, and to ask for it the consideration of the Department:

"I have but little doubt the remnant of the Catawba Indians can be accommodated in the Choctaw and Chickasaw country, upon the payment by the United States, or the State of South Carolina, of a reasonable compensation to the Choctaws and Chickasaws, both of which tribes have an interest direct in all sums of money that may be realized from the use or sale of the country embraced within their boundaries.'" * * *

No action appears to have been taken by the Government or any of the Indians on the question of their removal to the Choctaw or other Indian country until 1872, when Hon. J. C. Harper, of the House of Representatives, from Georgia, brought to the attention of this office the question of the removal of certain Indians in North Carolina and Georgia. Presuming that they were Cherokees, this office requested him on the 13th of June, 1872, to furnish a list of the names and ages of said Indians. In reporting the names, Mr. Joseph McDowell, of Fairmount, Ga., under date of October, 1872 (Misc. M., 229), stated that the Indians referred to, and asking relief of the Government, were Catawba Indians, and 84 in number, viz:

No.	Name.	Age.	No.	Name.	Age.
1	Buckner Guy.....	80	46	John Guy.....	12
2	Lucinda Anderson, his daughter, wife of Wm. Anderson, a Cherokee.....	60	47	Henrietta Guy.....	8
3	Polly Guy.....	50	48	Mary Guy.....	23
4	James Guy.....	55	49	Newton Guy.....	16
5	Clark Guy.....	53	50	Caroline Guy.....	14
6	Judy or Judith Guy.....	48	51	William Guy.....	12
7	Silvy Guy.....	45	52	Ann Guy.....	10
8	Elizabeth Guy.....	20	53	Daniel Guy.....	35
9	George Guy.....	19	54	Mary Guy.....	45
10	Amanda Anderson.....	25	55	Charles Guy.....	18
11	Nathaniel Anderson.....	23	56	George Guy.....	16
12	Mary Anderson.....	21	57	Adaline Guy.....	14
13	Eliza Anderson.....	21	58	Brag Guy.....	12
14	Nancy Anderson.....	19	59	Judy Guy, daughter of Simon Jeffers.....	80
15	Cornelia Anderson.....	18	60	Edmond Guy.....	80
16	William Washington Guy.....	30	61	<i>Willis Guy.....</i>	61
17	Albert A. Guy.....	28	62	<i>Mahala Guy.....</i>	56
18	Amanda Guy.....	26	63	George W. Guy.....	36
19	Joseph M. Guy.....	24	64	<i>Mary S. Guy.....</i>	33
20	Caroline T. Guy.....	22	65	<i>Andrew T. Guy.....</i>	31
21	Martha Guy.....	25	66	Martha Bingham, married a white man.....	29
22	Alexander Guy.....	21	67	<i>Amanda M. McDowell, married a white man.....</i>	27
23	Sarah Guy.....	18	68	Joshua R. Guy.....	25
24	Garadine Guy.....	12	69	Amanda T. Guy, white wife of Joshua R. Guy.....	24
25	George Guy.....	11	70	Erastus M. Guy.....	3
26	Henrietta Guy.....	9	71	<i>Mary C. Guy, white wife of A. T. Guy.....</i>	28
27	Tennessee Guy.....	7	72	<i>Henry H. Guy.....</i>	4
28	Ann Guy.....	14	73	<i>Emma F. Guy.....</i>	2
29	Rosa Guy.....	12	74	<i>Ruth M. Guy.....</i>	21
30	McClelland Guy.....	8	75	<i>Sarah A. Guy.....</i>	19
31	U.S. Grant Guy or Welford Grant Guy.....	7	76	Isaac H. Guy.....	17
32	Louisa Guy.....	8	77	<i>Millard F. Guy.....</i>	16
33	John Guy.....	6	78	<i>Lily R. Guy.....</i>	12
34	Johnson Guy.....	11	79	<i>Samuel H. McDowell, son of Amanda M., No. 67.....</i>	5
35	William Guy.....	6	80	<i>Eli H. H. J. McDowell, son of Amanda M., No. 67.....</i>	1
36	Katy Guy.....	2	81	Elizabeth Guy, wife of G. W. Guy (white).....	30
37	Peter Guy.....	40	82	Laurado Guy.....	4
38	Tabithy Steward.....	50	83	Caly Lee Guy.....	2
39	Viney Guy.....	48	84	Charles Bingham, son of Martha, No. 66.....	3
40	Ann Gipson.....	46			
41	Katharine Guy.....	45			
42	Rachel Guy.....	43			
43	June Bingham, married a white man.....	41			
44	George Guy.....	28			
45	Thomas Guy.....	14			

Those italicized desired permission of the President to settle in the Indian Territory, all of whom Mr. McDowell states were good and loyal people, and that if any Indian deserved assistance from the Government these Indians did; that their grandfathers on both sides assisted the Government in the war for Independence, and that their names were on the muster rolls in the War Department.

William Guy, of Granville County, Ga., and Simon Jeffers, of Bellville, Va., Catawba Indians, served five years in the Army and were honorably discharged, and these 84 persons were their descendants.

As these Indians were Catawbas and not Cherokees, Mr. McDowell was informed October 22, 1872, that they could not receive any of the benefits arising from the Cherokee removal fund of 1848.

A schedule of 70 persons very similar to the foregoing list, each containing many of the same names, was forwarded to this office by Mr. McDowell October 19, 1869 (Misc. M., 805), but for the same reasons no relief could be granted them at that time more than in 1872.

Another interval of fifteen years or more elapsed before the subject was again presented to the Department.

On the 21st of November, 1887, James Kegg, of Whittier, N. C., in addressing the Secretary of the Interior (No. 31383), made the following statement, viz:

Many years ago his people, the Catawba Indians, leased the land they owned in South Carolina and became a wandering tribe, without homes for their wives and children. They made application, he states, to the Cherokees, of North Carolina, for homes upon their land and made over to them all of their leased lands in South Carolina in consideration of their adoption into their tribe; that about 500 were so adopted and have been identified as such; that some 300 of them were removed West, under the Cherokee treaty of New Echota, made December 29, 1835, leaving a few living among the Cherokees as Cherokee citizens and a small portion remaining in South Carolina "upon a section of land which they owned and which was not leased out for a term of years, and upon which they now reside." Those Catawbas remaining in South Carolina, Mr. Kegg states, had no interest whatever in the lands which were leased out by those who became Cherokees by adoption, and he wished to ascertain whether or not the United States gave its consent to the Catawbas to lease out their lands to the State of South Carolina or to her citizens, and if so, upon what terms and the length of term said leases ran.

Without indorsing the statements herein made by Mr. Kegg, he was informed on the 7th of April, 1888, that the Catawba Indians held their lands in South Carolina, under agreements or arrangements made with that State over which the Federal Government had no control or jurisdiction. He was then cited to the laws of South Carolina, as set forth in Brevard's Digest, vol. 1, title "Indians," and to the volume of colonial laws herein cited, and for further information respecting the history and the present status of their lands and leases he was referred to the secretary of state of South Carolina.

There have been frequent communications from and concerning the Catawba Indians since 1888, but none involving or furnishing any new facts of information concerning the history or status of these Indians or their lands.

The last communication on the subject was a letter dated January 9, 1896, from Senator H. M. Teller, inclosing one from P. H. Head (who had been furnished a copy of office letter to Senator Teller, dated February 13, 1890, giving the status of their lands in South Carolina as above set forth), a Catawba Indian, of Sanford, Colo., submitting a petition purporting to have been signed by himself and twenty-five others, embracing six families, Catawba Indians, who claimed to have once resided in South Carolina, but who are no longer recognized by said State, and asking to be united with the Ute Indians now living on the Uintah Reservation in Utah, and to be recognized by the Government as members of said Ute tribe, receiving and enjoying in common with them all the rights and privileges of Utes and the protection of the Government. In said letter Mr. Head intimated that this petition would be followed by another signed by the said Ute Indians, which, however, has not yet been received in this office.

Senator Teller, in submitting said petition, requested that it receive due attention and that he be advised as to what steps were necessary to have such change effected.

He was informed on the 16th of January, 1896, on the return of said petition, that it was now the policy of the Government to abolish the tribal relations of the Indians as fast as possible, and to settle each Indian upon a separate tract of land that he can call his own to the end that he may become self-supporting and independent of Government bounty. It would not be in keeping with that policy to gather up people who happened to have more or less Indian blood in their veins and were living among the whites separate and apart from Indian communities and incorporate them into a tribe and place them upon an Indian reservation. A copy of the general allotment act of 1887, and the amendatory act of 1891, with a copy of the rules and regulations indicating the manner of procedure to obtain an allotment of lands upon the public domain under the fourth section of said act were sent to said petitioners for their information as the said section wisely provided for Indians who were not living upon any reservation at the date of the passage of said act, or for whose tribe no reservation of land had been created by allowing them to apply for and secure to themselves lands upon the public domain whether surveyed or unsurveyed.

With respect to incorporation into the Ute tribe of Indians occupying the Uintah Reservation, Senator Teller was advised that where there are no specific treaty stipulations with any given tribe touching such matters, as is the case with these Ute Indians, the usual course pursued is to obtain the consent of the tribe into which an Indian desires adoption, and then have such adoption approved by this office and

the Secretary of the Interior. Any such consent must be procured under the eye of the agent and should bear his certificate to the effect that the action of the Indians in adopting such Indian represented the wishes of the tribe and was taken in open council. This, briefly, would be the proper course to pursue in order to obtain adoption into an Indian tribe.

Having furnished this full and complete history of the Catawbas, so far as the same is disclosed from the files and records of this office and other sources, you will see just what lands these Indians held and now hold in South Carolina. I know of no land that they own in their tribal capacity as Catawbas in North Carolina. I know of no reason why these individual Indians may not take up lands in severalty under the fourth section of the act of 1887 aforesaid. I do not think it would be practicable or wise to ask the President to withhold from public settlement the lands ceded by the Kiowa and Comanche Indians by their last agreement, when that agreement is ratified by Congress, until such Indians had first taken allotments thereon. They should conform to the act of 1887, as all other Indians in like condition have to do.

Your attention is particularly invited to the views of this office in office letter of January 16, 1896, herein referred to, with respect to the policy that should be adopted respecting the Catawba Indians.

The memorial is herewith returned.

Very respectfully,

D. M. BROWNING,
Commissioner.

R. V. BELT, Esq.,
1314 Tenth street NW., City.

O

CLAIM OF MASTER OF SWEDISH BARK ADELE.

FEBRUARY 23, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY TRANSMITTING COPY OF A COMMUNICATION FROM THE SECRETARY OF STATE, AS REFERRED BY THE COMMISSIONER OF NAVIGATION, RELATING TO THE CLAIM OF THE MASTER OF THE SWEDISH BARK ADELE, AGAINST THE UNITED STATES.

TREASURY DEPARTMENT,
February 23, 1897.

SIR: I have the honor to transmit herewith, for the consideration of Congress in connection with the deficiency bill now pending, copy of a communication from the Secretary of State, of the 19th instant, as referred by the Commissioner of Navigation, relating to the claim of the master of the Swedish bark *Adele* against the United States, and recommending that the following clause be inserted in the general deficiency bill:

For payment to the Government of Sweden and Norway to reimburse T. Pearson, master of the Swedish bark *Adele*, costs and expenses incurred by him in proceedings connected with his imprisonment by a State court contrary to Article XIII of the treaty of 1827 with Sweden and Norway, \$295.64.

Respectfully, yours,

W. E. CURTIS, *Acting Secretary.*

The PRESIDENT OF THE SENATE.

DEPARTMENT OF STATE,
Washington, February 19, 1897.

SIR: I have the honor to request that you will communicate to Congress the following statement of facts relating to the claim of T. Pearson, master of the Swedish bark *Adele*, against the United States, and request the inclusion in some one of the pending appropriation bills of an item authorizing the payment of this claim.

In December, 1893, a justice of the peace in the State of Georgia assumed jurisdiction of a suit brought by two seamen of the bark *Adele* against the master, Mr. Pearson, for wages alleged to have been due them and for the recovery of certain personal effects. The master declined to recognize the jurisdiction of the justice of the peace and to comply with his warrant. The master was thereupon arrested December 27. At the hearing succeeding the arrest the jurisdiction of the court was challenged on treaty grounds, and the treaty giving exclusive jurisdiction to hear and determine disputes between the masters and seamen of Swedish vessels in United States ports to the Swedish

consuls was produced and read to the magistrate. He, notwithstanding, refused to dismiss the case, gave judgment against the master, and committed him to jail until he should comply with the judgment. The master appealed to a higher court and obtained a reversal of the justice's judgment.

The treaty provision relied upon by the Swedish master in this case is contained in Article XIII of our treaty of 1827 with Sweden and Norway. It reads as follows:

The consuls, vice-consuls, or commercial agents, or the persons duly authorized to supply their places, shall have the right as such to sit as judges and arbitrators in such differences as may arise between the captains and crews of the vessels belonging to the nation whose interests are committed to the charge, without the interference of the local authorities, unless the conduct of the crews or of the captain should disturb the order or tranquility of the country, or the said consuls, vice-consuls, or commercial agents should require their assistance to cause their decisions to be carried into effect or supported. It is, however, understood that this species of judgment or arbitration shall not deprive the contending parties of the right they have to resort, on their return, to the judicial authority of their country.

In the opinion of this Department the justice of the peace acted without authority and in disregard of the rights guaranteed to the master of this vessel by the treaty. This proceeding cost the master in actual expenditure \$295.63, as is shown by an itemized statement furnished by his Government. The United States has been called upon by the Government of Norway and Sweden to reimburse the master of this unlawful exaction. There has been no demand for damages for false imprisonment or for the master's personal sufferings and inconvenience.

The claim was first referred to the governor of Georgia, who laid the facts before the general assembly of that State. In a letter dated February 12, 1897, the Department was informed by the governor of Georgia that the general assembly had made no appropriation to pay the claim. It is therefore incumbent upon the United States to pay it, and I have the honor to request that you will ask the immediate consideration of the matter, which has been delayed for nearly three years while awaiting adjustment by the State of Georgia.

The claim has been fully established in point of fact, and is believed to be well founded in point of law. The obligation upon the United States to pay it is clear, and I hope provision will be made for payment before Congress adjourns,

I have the honor to be, sir, your obedient servant,

RICHARD OLNEY.

The SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
BUREAU OF NAVIGATION,
February 20, 1897.

Respectfully referred to the Secretary (division of bookkeeping and warrants), with recommendation that a clause, as follows, be inserted in the general deficiency bill:

For payment to the Government of Norway and Sweden, to reimburse T. Pearson, master of the Swedish bark *Adele*, costs and expenses incurred by him in proceedings connected with his imprisonment by a State court, contrary to Article thirteen of the Treaty of eighteen hundred and twenty-seven, with Sweden and Norway, two hundred and ninety-five dollars and sixty-four cents.

E. T. CHAMBERLAIN,
Commissioner.

PERSONS CLAIMING AMERICAN CITIZENSHIP CAPTURED
ON THE COMPETITOR.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING,

IN RESPONSE TO RESOLUTION OF THE SENATE OF FEBRUARY 6,
1897, A REPORT FROM THE SECRETARY OF STATE IN REGARD
TO THE PERSONS CLAIMING AMERICAN CITIZENSHIP CAP-
TURED ON BOARD OF THE COMPETITOR.

FEBRUARY 23, 1897.—Referred to the Committee on Foreign Relations and ordered
to be printed.

To the Senate:

I transmit herewith, in response to the resolution of the Senate of February 6, 1897, a report from the Secretary of State in regard to the persons claiming American citizenship captured on board of the *Competitor*.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, February 23, 1897.

The PRESIDENT:

Referring to the resolution of the Senate of the 6th instant of the tenor and terms following:

Resolved, That the Senate, being informed by common rumor and by testimony taken by the Committee on Foreign Relations, that a vessel of the United States called the *Competitor* has been captured by a Spanish ship of war, and that one or more citizens of the United States were captured on board said vessel and have been tried and condemned to death by a military tribunal in Cuba, and are now in prison at Habana awaiting the execution of the sentences; and the Senate having instructed said committee to inquire into and make report respecting the rights of said citizens under the treaties existing between the United States and Spain and under the laws of nations, the President is requested, in conformity with section two thousand and one of the Revised Statutes, to inform the Senate whether any such capture has been made by a Spanish war ship, and whether any citizen of the United States has been captured on or near such vessel, and "has been unjustly deprived of his liberty by or under the authority of" the Government of Spain, and whether the President forthwith demanded of Spain the reason of such imprisonment, and, if such imprisonment is unlawful, and if such sentence to death violates the laws of nations or

the treaties with Spain, whether the President has demanded the release of such citizens.

And that the President communicate to the Senate all the facts and proceedings relative to such capture, sentence and imprisonment of such citizens as soon as practicable, in accordance with the statute in such cases made and provided, as follows:

"SEC. 2000. All naturalized citizens of the United States while in foreign countries are entitled to and shall receive from the Government the same protection of persons and property which is accorded to native-born citizens.

"SEC. 2001. Whenever it is made known to the President that any citizen of the United States has been unjustly deprived of his liberty by or under the authority of any foreign Government it shall be the duty of the President forthwith to demand of that Government the reasons of such imprisonment; and if it appears to be wrongful and in violation of the rights of American citizenship, the President shall forthwith demand the release of such citizen, and if the release so demanded is unreasonably delayed or refused the President shall use such means, not amounting to acts of war, as he may think necessary and proper to obtain or effectuate the release; and all the facts and proceedings relative thereto shall, as soon as practicable, be communicated by the President to Congress."

I have the honor to state that practically all the information called for by the resolution has been submitted to the President, and was by the President transmitted to the Senate January 22, 1897, as will appear by reference to Senate Document No. 79, Fifty-fourth Congress, second session, and that since that date nothing has taken place of consequence either in the way of information received or correspondence exchanged.

Respectfully,

RICHARD OLNEY.

DEPARTMENT OF STATE,
February 20, 1897.

○

WILLIAM BOND & CO., AND OTHERS.

FEBRUARY 20, 1897.—Referred to the Committee on Appropriations, with Mr. Burrows's amendment to H. R. 10329, and ordered to be printed.

Mr. BURROWS presented the following

LETTER FROM THE SECRETARY OF THE TREASURY, RELATIVE
TO CLAIM OF WILLIAM BOND & CO., AND OTHERS.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., February 18, 1897.

SIR: I have the honor to acknowledge the receipt of your letter of the 16th instant, inclosing Senate joint resolution No. 160, "for the relief of William Bond & Co. and others."

In reply, I have the honor to transmit herewith copy of letter of the Commissioner of Internal Revenue of the 17th instant, with statements marked A and B, prepared in his office.

Respectfully, yours,

J. G. CARLISLE, *Secretary.*

Hon. J. C. BURROWS,
United States Senate.

TREASURY DEPARTMENT,
OFFICE COMMISSIONER OF INTERNAL REVENUE,
Washington, D. C., February 17, 1897.

SIR: I have the honor to hand you herewith statements marked A and B, from the official records of this office, of the accounts represented in the claims filed before this Bureau by Mr. C. H. Parsons for the benefit of certain owners of private dies, the amounts sought to be recovered in the claims being the difference between the amount of commissions allowed and paid to them in stamps and the amount they would have received if the commission had been computed and paid in cash.

The statement marked A embraces the accounts of all the beneficiaries named in H. R. 5908 who have filed claims before this Bureau for the recovery of the balance of commissions alleged to be due and withheld.

The statement marked B includes a list of claimants named in H. R. 5908 who do not appear to have filed any claims before this office and

of claimants who, while claiming certain amounts to be due as commissions, have failed to furnish data as to purchases of stamps; also a list of claimants whose accounts with this office for stamps furnished have been settled by an allowance of compromise after suit, or which remain unsettled, showing balance due the United States on account of stamps furnished.

After diligent search and close examination of the files and records of this Bureau, the two appended statements, A and B, are herewith submitted as giving the fullest information obtainable by this office as to the status of these accounts and the claims based upon the same.

Respectfully, yours,

W. S. FORMAN, *Commissioner.*

The SECRETARY OF THE TREASURY.

STATEMENT A.

Names of claimants in House bill 5908 for the refunding of taxes paid by owners of private dies.	Period covered by purchases of stamps.	Amount claimed to have been paid for stamps on which commission was paid in stamps.	Amount of commissions claimed to have been withheld and to be due in cash.	Amount allowed by Court of Claims.	Balance claimed, as per House bill 5908.	Amount of purchases specified in claim which have been verified in books of Office of Internal Revenue.	Amount of commissions deducted on account of unverified purchases.	Balance of commissions on purchases certified by Office of Internal Revenue.
American Match Co.	1874 to 1875	\$35,863.65	\$358.63	-----	\$500.00	\$35,863.65	-----	\$358.63
Ayer & Co., Dr. J. C.	1863 to 1882	917,300.00	9,398.00	\$918.00	8,480.00	917,300.00	\$45.00	8,435.00
Barclay & Co.	1868 to 1882	33,250.00	332.50	94.25	238.25	30,550.00	27.00	211.25
Bendel & Co., B.	1874 to 1882	318,417.86	3,184.17	2,600.00	584.17	318,417.86	-----	584.17
Bond, William	1877 to 1882	20,000.00	200.00	160.00	40.00	20,000.00	-----	40.00
Brandreth, B.	1864 to 1882	406,000.00	4,060.00	2,060.00	2,000.00	402,500.00	35.00	1,965.00
Brocket & Newton	1872 to 1873	28,000.00	280.00	-----	280.00	28,000.00	-----	280.00
Brown, Fred'k	1869 to 1882	74,015.88	740.16	119.33	529.45	65,104.00	89.12	521.71
Burnett & Co., Jos.	1870 to 1882	43,350.00	433.50	183.60	249.90	43,350.00	-----	249.90
Byam, Carlton & Co.	1864 to 1881	3,560,747.73	35,607.48	6,339.35	29,268.13	3,458,009.00	1,027.38	28,240.75
Centaur Co.	1876 to 1882	37,302.00	341.35	301.50	190.85	37,200.00	.27	39.58
Clark Match Co.	1873 to 1876	129,000.00	1,290.00	320.00	970.00	129,000.00	-----	970.00
Cowles & Lech	1865 to 1872	108,452.56	1,084.52	-----	1,148.53	108,452.56	-----	1,084.52
Crittenton, C. N.	1876 to 1882	39,500.00	395.00	375.00	20.00	36,000.00	-----	-----
Curtiss & Brown	1866 to 1877	21,150.00	211.50	-----	52.88	2,400.00	-----	24.00
Daily, M.	1864 to 1872	445,000.00	4,450.00	-----	4,450.00	439,500.00	55.00	4,395.00
Eaton, James	1866 to 1881	793,500.00	7,935.00	3,410.00	6,506.50	791,500.00	20.00	4,505.00
Eichele & Co., P.	1865 to 1878	1,455,467.14	14,554.67	6,044.73	13,466.95	1,447,245.03	82.22	7,427.72
Excelsior Match Co.	1875 to 1881	144,627.33	1,446.27	1,048.09	408.18	144,627.33	-----	398.27
Fahenstock & Co., B. A.	1865 to 1867	10,000.00	100.00	-----	167.70	10,000.00	-----	100.00
Fleming Bros.	1863 to 1882	131,000.00	1,310.00	-----	1,360.00	130,000.00	10.00	1,300.00
Gates, William	1864 to 1877	2,494,195.65	24,941.95	1,837.14	23,991.85	2,494,195.65	-----	23,104.81
Griggs, A. J.	1868 to 1872	136,875.00	1,368.75	-----	1,365.00	135,875.00	10.00	1,358.75
Hall & Co., R. P.	1866 to 1882	221,000.00	2,210.00	160.00	1,980.00	221,000.00	-----	2,050.00
Hart & Co., Sam'l.	1866 to 1876	408,100.00	4,081.00	-----	4,811.10	286,100.00	1,220.00	2,861.00
Hethrington, J. E.	1879 to 1882	9,500.00	95.00	-----	95.00	9,500.00	-----	95.00
Hiscox & Co.	1876 to 1882	10,200.00	102.00	90.00	12.00	10,200.00	-----	12.00
Hull & Co., C. E.	1870 to 1875	12,204.00	122.04	40.08	106.90	12,204.00	-----	81.96
Husband, Thos. J.	1865 to 1882	43,110.00	431.10	191.20	239.90	34,589.59	85.20	154.70
Ives, P. T.	1875 to 1881	78,273.10	782.73	696.78	85.95	78,273.10	-----	85.95
Jayne & Son, Dr. D.	1862 to 1882	663,531.00	6,635.31	1,764.31	4,871.00	608,531.00	550.00	4,321.00
Johnson & Co., J. S.	1872 to 1882	47,175.00	471.75	192.00	279.75	47,175.00	-----	279.75
Johnston, Holloway & Co.	1874 to 1882	27,000.00	270.00	168.00	102.00	27,000.00	-----	102.00
Kennedy & Co.	1872 to 1882	33,810.00	332.02	205.36	126.66	33,810.00	-----	126.66
Lawrence & Cohen	1865 to 1876	409,145.46	4,091.45	-----	4,091.44	286,200.00	1,229.45	2,862.00
Leete, C. S.	1872 to 1875	50,591.15	505.91	-----	506.15	50,591.15	-----	505.91
Levy, John J.	1867 to 1873	122,820.00	1,228.20	-----	1,226.95	115,320.00	75.00	1,153.20

STATEMENT A—Continued.

Names of claimants in House bill 5908 for the refunding of taxes paid by owners of private dies.	Period covered by purchases of stamps.	Amount claimed to have been paid for stamps on which commission was paid in stamps.	Amount of commissions claimed to have been withheld and to be due in cash.	Amount allowed by Court of Claims.	Balance claimed, as per House bill 5908.	Amount of purchases specified in claim which have been verified in books of Office of Internal Revenue.	Amount of commissions deducted on account of unverified purchases.	Balance of commissions on purchases certified by Office of Internal Revenue.
Lord, C. W. (Lord & Robinson)	1870 to 1872	\$132,827.00	\$1,328.27	.....	\$1,416.27	\$132,827.00	.....	\$1,328.27
Lowe, Andrew S.	1875 to 1882	16,320.00	163.20	\$112.20	51.00	16,320.00	.....	51.00
McLean, Dr. J. H.	1868 to 1882	238,000.00	2,380.00	1,030.00	1,350.00	200,000.00	\$380.00	970.00
Merchants' Gargling Oil Co.	1869 to 1882	86,270.00	862.70	316.21	546.49	85,250.00	10.20	536.29
Messenger, A.	1866 to 1881	693,500.00	6,935.00	2,040.00	4,970.00	693,500.00	.....	4,895.00
Newbauer & Co.	1872 to 1882	508,900.00	5,089.00	4,609.00	2,480.00	508,900.00	.....	480.00
Newton, F. P.	1877 to 1881	172,000.00	1,720.00	1,560.00	160.00	156,000.00	160.00	.....
New York Consolidated Card Co.	1876 to 1882	443,650.00	4,436.50	4,221.50	495.00	443,650.00	.....	215.00
Pierce, Ray V.	1870 to 1878	131,722.25	1,317.22	348.00	969.22	131,722.25	.....	969.22
Ransom, Son & Co., D.	1865 to 1882	110,190.00	1,101.90	353.60	748.30	110,180.00	10	748.20
Richardson, D. M.	1864 to 1875	2,792,900.00	27,929.00	4,250.00	27,929.00	2,520,545.46	2,724.00	20,955.00
Richardson Match Co.	1875 to 1878	898,050.00	8,980.50	4,250.00	4,730.50	898,050.00	.....	4,730.50
Roeder, H. & W.	1866 to 1869	95,890.90	958.91	.....	1,714.65	95,890.90	.....	958.91
Roeder, William	1869 to 1880	1,063,710.00	10,637.00	5,826.00	5,144.10	862,988.00	2,007.00	2,804.00
Schenck & Son, J. H.	1865 to 1882	170,400.00	1,704.00	420.00	1,284.00	170,400.00	.....	1,284.00
Schmitt & Schmitt	1873 to 1880	334,104.75	3,341.04	1,058.95	2,518.91	333,609.75	4.95	2,282.09
Schwartz & Co., J. E.	1874 to 1882	29,000.00	290.00	200.00	90.00	29,000.00	.....	90.00
Schwartz & Haslett	1869 to 1873	16,000.00	160.00	.....	180.00	15,000.00	10.00	150.00
Seoville & Co., A. L.	1870 to 1873	78,400.00	784.00	.....	2,296.00	78,400.00	.....	784.00
Stanton, H.	1866 to 1881	469,200.00	4,692.00	1,528.75	3,480.70	469,200.00	.....	3,163.25
Swift & Courtney	1864 to 1870	465,000.00	4,650.00	.....	4,778.63	465,000.00	.....	4,650.00
Tappan, Herman	1879 to 1882	44,500.00	445.00	440.00	5.00	44,500.00	.....	5.00
Tyler, E. R.	1867 to 1868	4,500.00	45.00	.....	460.00	4,500.00	.....	45.00
Vogeler & Co., A.	1874 to 1882	193,830.00	1,938.30	1,672.80	265.50	193,830.00	.....	265.50
Weedon, Jas. H.	1872 to 1875	89,500.00	895.00	.....	895.00	89,500.00	.....	895.00
Worlds' Dispensary Medical Association	1879 to 1882	54,380.00	543.80	513.40	30.40	54,380.00	.....	30.40
Total balance	.....	.....	.....	.....	.....	.....	.....	153,570.82

Examined and verified.

TREASURY DEPARTMENT,
Office of Internal Revenue, February 17, 1897.HENRY C. BOYD,
Chief of Stamp Division.

STATEMENT B.—*List of claimants named in H. R. 5908, from whom no claims appear to have been filed in Office of Internal Revenue.*

Name.	Amount.	Name.	Amount.
Alligator Match Co.....	\$105.00	Gates Sons, William.....	\$203.98
Beecher & Sons, A.....	1,470.00	Hunt, L. G.....	155.00
Brown & Co., W. T.....	830.00	Holman Liver Pad Co.....	21.04
Brown & Son, John J.....	2,535.00	Hartman & Co., S. B.....	345.68
Bull, John (estate).....	1,278.00	Loehr, Joseph.....	2,961.44
Curtiss & Sons, Jeremiah.....	4,010.00	McDonald & Co., R. H.....	2,436.00
Curtiss & Brown Manufacturing Co.....	49.50	National Match Co.....	1,040.00
Dougherty, Andrew.....	5,645.00	Ransom & Co., D.....	400.00
Dalley, Henry, jr.....	220.13	Stevens, H. R.....	348.00
Drake & Co., P. H.....	990.00	Swift, Courtney & Beecher Co.....	7,000.00
Eichele & Co., A.....	3,527.00	Trenton Match Co.....	755.20
Griggs & Scott.....	380.00		

Claimants who, while claiming certain amounts to be due as commissions, have failed to furnish data as to purchases of stamps.

Barnes, Demas & Co.....	\$1,890.00	Loehr, John.....	\$4,521.44
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Claimants whose accounts with this office for stamps furnished have been settled by an allowance of compromise after suit, or which remain unsettled, showing balances due the United States.

Name.	Amount.	Remarks.
Richardson Match Co.....	\$52,500.00	Allowed in compromise of suit for value of stamps purchased prior to 1879, and which are included in H. R. 5908.
American Match Co.....	7,299.68	Balance due United States.
Bendel & Co., B.....	1,570.46	Do.
Newbauer & Co.....	2,578.89	Do.

HENRY C. BOYD,
Chief of Stamp Division.

TREASURY DEPARTMENT,
Office of Internal Revenue, February 17, 1897.

BURGLAR-PROOF VAULT FOR TREASURY.

FEBRUARY 24, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY, RELATIVE TO THE CONDITION OF VAULT NO. 7 IN THE OFFICE OF THE TREASURER OF THE UNITED STATES AND RECOMMENDING AN APPROPRIATION OF \$30,000 TO PROVIDE FOR THE CONSTRUCTION OF A BURGLAR-PROOF EXTENSION AND FOR MAKING THE PRESENT VAULT BURGLAR-PROOF

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., February 23, 1897.

SIR: I have the honor, respectfully to submit for the consideration of Congress the following statement as to the condition of vault No. 7, in the office of the Treasurer of the United States, United States Treasury building, Washington, D. C., used for the safe-keeping of bonds held on account of national banks to secure circulation, and deposits of public moneys and bonds held on account of the various trust funds, with the earnest request that an appropriation of \$30,000 be made to provide for the construction and erection of a burglar-proof extension and for making the present vault burglar-proof.

This estimate is submitted as the result of a careful examination by the experts connected with the office of the Supervising Architect.

The extension is to be entirely burglar-proof, with two modern doors 5 inches and 3 inches thick, respectively; the front of the vault to be 3 inches thick; and sides, ceiling, and floor to be 1½ inches thick. The back, sides, floor, and ceiling of the old vault is to be lined throughout with 1½-inch thick material. The present construction of the old vault is one-fourth inch thick wrought-iron plates, and is not burglar-proof in any sense.

The aggregate amount of bonds held in this vault is, in round numbers, \$300,000,000, of which about \$20,000,000 are coupon bonds. The proper custody of so many millions of coupon bonds, payable to bearer, entails a grave responsibility, and it is respectfully submitted that Congress should provide adequate protection by the adoption of modern advanced methods of construction to prevent loss by burglary or otherwise.

I earnestly recommend to Congress that this appropriation of \$30,000 be made during the present session.

Respectfully, yours,

W. E. CURTIS,
Acting Secretary.

The PRESIDENT OF THE SENATE,
Washington, D. C.

APPROPRIATIONS FOR THE NAVAL STATION AT PORT
ROYAL, S. C.

FEBRUARY 24, 1897.—Referred to the Committee on Appropriations, and ordered to be printed, to accompany Mr. Tillman's amendment reported to H. R. 10336.

Mr. TILLMAN presented the following

LETTER FROM THE SECRETARY OF THE NAVY RELATIVE TO
PROPOSED APPROPRIATIONS FOR THE UNITED STATES NAVAL
STATION AT PORT ROYAL, S. C.

NAVY DEPARTMENT,
Washington, February 23, 1897.

DEAR SIR: Answering your letter of to-day, I have to say that the appropriation of \$50,000 for a tugboat for the United States Naval Station at Port Royal, S. C., embraced in your proposed amendment, is already in the bill appropriating for the naval service as reported to the House of Representatives.

The Naval Station at Port Royal is, as you suggest, of but little use in its present condition. There should be a hospital there, and I recommend the appropriation of \$4,000 for the erection of a building for that purpose. Such building would serve the purposes of the hospital for some years.

The Chief of the Bureau of Construction and Repair asked that \$75,000 be appropriated for machinery for the machine shop now nearing completion, and this amount could be expended to advantage. The Department, in its endeavor to reduce the amount of the appropriation bill, omitted the estimate for this purpose, but it would be very desirable to have the station put in condition to do ordinary repairs to vessels. Fifty thousand dollars would buy the machinery essential for this purpose, and the Department recommends this appropriation.

Very respectfully,

H. A. HERBERT, *Secretary.*

Hon. B. R. TILLMAN,
United States Senate, Washington, D. C.

DEFICIENCIES IN NORTHERN PACIFIC RAILROAD GRANT.

FEBRUARY 25, 1897.—Laid on the table and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE SECRETARY OF THE INTERIOR, TRANSMITTING, IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 19, 1897, A REPORT FROM THE COMMISSIONER OF THE GENERAL LAND OFFICE RELATIVE TO DEFICIENCIES IN NORTHERN PACIFIC RAILROAD GRANT AT THE DATES OF DEFINITE LOCATION.

DEPARTMENT OF THE INTERIOR,
Washington, February 25, 1897.

SIR: On the 19th instant the Senate forwarded to this Department the following resolution:

Resolved, That the Secretary of the Interior be, and he is hereby, requested to furnish, for the information of the Senate, a statement as to what deficiency, if any, existed in the grant to the Northern Pacific Railroad Company under acts of Congress of July 2, 1864, and May 31, 1870, at the date of the various definite locations of said road.

In response to that resolution I have the honor to hand you herewith a report from the Acting Commissioner of the General Land Office which contains the information desired.

Very respectfully,

D. R. FRANCIS,
Secretary.

The PRESIDENT OF THE SENATE.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., February 23, 1897.

SIR: I return, herewith, Senate resolution received with your communication of the 19th instant, calling for information as to what deficiency, if any, existed in the grant to the Northern Pacific Railroad Company under acts of Congress of July 2, 1864, and May 31, 1870, at the dates of the various definite locations of said road.

Responding thereto, I have the honor to report that the records of this office show that the total area of lands excepted from and lost to said grant within its primary limits at the several dates of definite location of said Northern Pacific Railroad amounts to 10,624,746.27 acres, of which 2,887,086.57 acres were lost subsequent to the date of the act of Congress making said original grant; that there were at the

2 DEFICIENCIES IN NORTHERN PACIFIC RAILROAD GRANT.

several dates of definite location, within the first indemnity limits of said grant, not to exceed 7,177,769.71 acres available for selection to satisfy said total acreage of lands excepted from and lost to said grant within its primary limits, thus leaving a deficiency of 3,446,976.56 acres, only 2,887,086.57 of which can be satisfied within the second indemnity limits under the provisions of the joint resolution of Congress of May 31, 1870, above referred to, thus leaving at the dates of definite location an ascertained deficiency in the entire grant of over 559,889.99 acres.

Very respectfully,

E. F. BEST,
Acting Commissioner.

The SECRETARY OF THE INTERIOR.



DAVID B. MAY.

FEBRUARY 25, 1897.—Laid on the table and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE SECRETARY OF THE INTERIOR IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 17, 1897, RELATIVE TO THE LEASING TO DAVID B. MAY, OF MAMMOTH HOT SPRINGS, WYO., FOR THE PERIOD OF TEN YEARS, OF A PARCEL OF GROUND NEAR THE GRAND FALLS OF THE YELLOWSTONE RIVER, IN THE YELLOWSTONE NATIONAL PARK, ON WHICH TO CONSTRUCT AND OPERATE AN ELEVATOR.

DEPARTMENT OF THE INTERIOR,
Washington, February 24, 1897.

SIR: I have the honor to acknowledge the receipt of the following resolution of the United States Senate, dated February 17, 1897:

That the Secretary of the Interior is requested to communicate to the Senate whether any action has been taken or is contemplated to grant to any person or persons the privilege of erecting a steam plant, elevator, or other appliances on the Yellowstone Canyon in the Yellowstone Park, for the purpose of conveying persons from the top of the Canyon to the bottom. And the Secretary of the Interior is further requested to withhold any action in the premises until it can be determined by Congress as to the propriety of the granting any such privilege.

In response thereto I have to state that pursuant to authority conferred by an Act of Congress approved March 1, 1872 (17 Stat. L., 32, now secs. 2474 and 2475 R. S., U. S.); establishing a public park near the head waters of the Yellowstone River and placing the same under the control of the Secretary of the Interior, a contract was entered into on the 17th day of May, 1890, between the then Secretary of the Interior and one David B. May, of Mammoth Hot Springs, Wyo., providing for the leasing to him for the period of ten years of a parcel of ground near the Grand Falls of the Yellowstone River, in the Yellowstone National Park, on which to construct and operate an elevator, on the conditions therein set forth.

On the 15th of October, 1890, the Secretary of the Interior advised Mr. May that from reports received he was convinced an elevator near the Yellowstone Falls in any form would be an eyesore; that he had given instructions to the superintendent of the park to prevent the erection of such a building, and reminded him of his promise previously made, that if the Department objected to the building the contract granted him May 17, 1890, would be surrendered; and on the same day the superintendent of the park was advised that the contract with Mr. May had been canceled, and directed to prevent any steps toward the construction of the building being taken thereunder.

On the 8th of May, 1893, Mr. May requested that the lease theretofore granted him of the tract of land in the park on which to construct an elevator be reissued, but in favor, however, of the Grand Canyon Elevator Company, a company incorporated under the laws of West Virginia, and of which he was one of the incorporators. This application was denied because of lack of sufficient information by the Department as to the effect of such elevator upon the natural beauty of the scenery at that place in the park, and there being conflicting reports on the subject.

In the summer of 1895, while the application of Mr. May was still pending, Mr. W. P. Couper, the chief of division in the Secretary's Office, having in charge the preparation and presentation of business relative to the Yellowstone Park, visited that reservation and made a personal inspection of the Grand Canyon of the Yellowstone, and reported to the Department, as his judgment, that the construction of an incline or elevator near the Grand Falls of the Yellowstone would not mar the beauty of the natural surroundings of that part of the park, but would afford tourists an additional opportunity of contemplating its wonderful features from positions otherwise unattainable.

Notwithstanding this report, however, the First Assistant Secretary of the Interior, W. H. Sims, to whom all matters connected with the Yellowstone Park is assigned, still declined to give his assent to the erection of an incline or elevator as proposed, until he should be more fully satisfied of its desirability, and that it would not, as had been suggested in the beginning, detract from the natural grandeur of the landscape; but in the summer of 1896, during a vacation trip to the Yellowstone Park, the First Assistant Secretary found opportunity, personally, of seeing the Grand Canyon, and then gave careful consideration on the spot to this elevator or incline proposition. The conclusion he reached was in agreement with that hitherto made by Mr. Couper in 1895, and he later indicated to Mr. Lamar, the attorney for the Grand Canyon Elevator Company in this city, that under proper limitations, conditions, and restrictions in the lease, the same would be favorably acted upon by him.

On the 4th of February, 1897, the attorney for the Grand Canyon Elevator Company again presented the application of D. B. May hereinbefore referred to, and requested the issuance to it of a lease for a plat of ground between Lookout Point and the Great Falls, on which to construct an elevator shaft or incline as a means whereby to descend into and ascend out of the Grand Canyon of the Yellowstone River.

I was not aware, until the receipt of the Senate resolution, that such an application was pending. I am now informed that the First Assistant Secretary contemplated submitting said application to the Secretary of the Interior with recommendation for the execution of such a lease as would grant the privilege sought. The lease, however, before being submitted for the consideration of the Secretary, was to be conditioned on such safeguards as to location and surroundings as would not in any degree mar the beauty of the scenery in the canyon.

Very respectfully,

DAVID R. FRANCIS, *Secretary.*

The PRESIDENT OF THE SENATE.



TORPEDO-BOAT DESTROYERS.

FEBRUARY 25, 1897.—Ordered to be printed.

Mr. CHANDLER presented the following

STATEMENT OF MR. JOHN PLATT BEFORE THE COMMITTEE ON NAVAL AFFAIRS, UNITED STATES SENATE.

TUESDAY, *February 23, 1897.*

Senator CHANDLER. Mr. Chairman, the naval appropriation bill, as reported to the House, contains no provision either for new battle ships or torpedo boats. It provides for no new increase of the Navy whatever. Having had this morning a conversation with Senator Hale concerning this omission, he made certain suggestions to me which will be presented to the committee later. A few days ago Senator Hoar introduced me to Mr. John Platt, who is now present. He is an English gentleman, a mechanical engineer, who is very familiar with the Thorneycroft torpedo boats, the Thorneycroft boilers, and the whole subject of torpedo boats. As pertinent to the question whether we should in the Senate insert in the bill provisions for battle ships or torpedo boats, I requested Mr. Platt to come before the committee and make a statement. He is here at my request.

The CHAIRMAN (Senator Cameron). We are limited in time, Mr. Platt, but if you will begin immediately we shall be glad to listen to you.

Mr. PLATT. Very well, sir.

Senator CHANDLER. Where is your residence?

Mr. PLATT. In New York City, 97 Cedar street.

Senator CHANDLER. What is your employment?

Mr. PLATT. I am a mechanical engineer and naval engineer, interested in torpedo boats.

Senator CHANDLER. Were you requested to come before the committee by Senator Hoar and myself this morning to make a statement in reference to torpedo boats?

Mr. PLATT. Yes, sir.

Senator CHANDLER. Will you be kind enough to tell us what you know of torpedo boats, the present condition of the art of construction, and make such suggestions as you think would be useful to us? Do this in your own way.

Mr. PLATT. At the present time there is but one boat being built in this country that will in any way compete with over 100 that are being built in England to the order of the British Government and Spain and South American Governments. A number are on order for Spain openly. Two have been delivered within the last month—29-knot destroyers, seagoing boats. Of these 100 boats some are for South American countries as well. The latest development is a boat of 275 tons displacement, 210 feet long, to make a speed of 30 knots continuously

for three hours, and with a coal consumption of not more than $2\frac{1}{2}$ pounds per horsepower per hour. This latter requirement is very necessary, as the practice is now to make torpedo-boat destroyers available for going to sea and able to carry coal for a long enough time to get from the harbor to the fleet and from one port to another. You will see that a boat making 30 knots and carrying torpedo tubes can, in most cases, be used just as well for the purpose of an ordinary torpedo boat as any other, and carrying 13-pound guns she can be used against the ordinary torpedo boat, as those guns are very effective.

Senator CHANDLER. This class that you speak of you call torpedo-boat destroyers?

Mr. PLATT. Torpedo-boat destroyers. That is the latest class.

The CHAIRMAN. Where are they built?

Mr. PLATT. Thorneycroft has at the present time 16 on order for the British Government and several for other powers, and there are six or seven other firms in England now building them. There are 48 in course of construction for the British Government at the present time.

Senator CHANDLER. Have you any statistics or tables showing the construction of torpedo boats and torpedo-boat destroyers which you can give to us?

Mr. PLATT. I have a few particulars here. Here are the exact dimensions of the boats, beam, draft, and everything, and the price obtained for them in England complete. A torpedo-boat destroyer to make 30 knots of 275 tons displacement costs—at least, in England the contractors all get for them—\$290,000; that is, complete with armament.

Senator CHANDLER. That is the largest vessel that is built which is called a torpedo-boat destroyer?

Mr. PLATT. That is the largest. My policy would be, under the circumstances at the present time, to build boats that would be at least equal to the latest development abroad, and possibly even better.

The CHAIRMAN. Do you think torpedo boats could be built to attain greater speed?

Mr. PLATT. I think so.

Senator CHANDLER. Would you continue the building of the smaller torpedo boats?

Mr. PLATT. Not necessarily. The reason why England has discontinued building them is shown to a great extent in the table given with these particulars. England at the present time has 160 torpedo boats. The United States has only 18 building, of which two are in commission; one may go into commission soon, and it may be two years before the others complete their trials. We have one destroyer on order, and England has 98. France has 241 torpedo boats, Russia 161, Italy 176, Germany 145, and Spain 23.

Senator SMITH. Torpedo boats?

Mr. PLATT. Torpedo boats.

Senator CHANDLER. Will you hand those statistics to the reporter?

Mr. PLATT. Yes, sir.

The matter referred to is as follows:

TORPEDO-BOAT DESTROYERS.

The appended lists give, as near as can be obtained, some idea of the number of torpedo boats of the different kinds built and building by the different countries of the world.

England at the present time is building nothing but torpedo-boat destroyers. Their latest development is a boat of 275 tons displacement (210 feet long by 19 feet 6 inches beam by 7 feet 2 inches draft) to make a speed of 30 knots, with a coal consumption of not more than $2\frac{1}{2}$ pounds per horsepower per hour. This latter provision

is a very necessary one, so as to enable them to run at their high rate of speed for a long period of time. The boats carry an armament consisting of at least two 13-pounder quick-firing guns and two torpedo tubes. They are required to keep up a speed of 30 knots for three hours continuously with the coal consumption of $2\frac{1}{2}$ pounds per horsepower. For such boats the English contractors get the sum of \$290,000.

No ordinary torpedo boats are being built at the present time by England, they considering that they have sufficient of them, particularly considering the fact that the 30-knot boats can be used, if desired, as torpedo boats.

At the present time there are building in English yards over 100 torpedo-boat destroyers; these are for both the home and foreign powers. Quite a number are for the South American countries, and also for Spain.

A smaller destroyer, of 250 tons displacement (200 feet long by 19 feet beam by 7 feet draft), making 27 knots easily for three hours and carrying one 13-pounder, was the boat built before the 30-knot destroyers; \$215,000 was obtained for this size.

The $24\frac{1}{2}$ -knot torpedo boats of 100 tons displacement (140 feet long by 15 feet 6 inches beam by 7 feet 6 inch draft) was built in England for \$107,100.

Considering that material cuts such a small figure in the total cost, and that a very special kind of skilled labor has to be employed, to build boats of an exactly similar class to be equal to or, better still, superior to the English boats, will cost here from 15 to 25 per cent more than the English prices.

Built and building by leading countries to December, 1896.

Countries.	Torpedo gunboats.	Destroyers.	Torpedo boats.
United States	0	1	18
England.....	34	98	160
France.....	15	3	241
Russia.....	8	1	161
Italy.....	17	1	176
Germany.....	10	11	145
Spain.....	7	2	23

Ordered to be built in 1897.

England.....	48	.....
France.....	9	.....
Russia.....	1	20
Spain (known).....	2	.....
Sweden.....	.....	6
Norway.....	.....	3
Austria.....	.....	6
Argentina.....	.....	4
Brazil.....	3	8
Chile.....	.....	16
China.....	.....	7
Japan (number not given out).....	.....	.....

Mr. PLATT. Of course the figures as to the number of boats are taken from tables. They are as nearly correct as can be obtained from the manuals.

Senator CHANDLER. To what extent are the devices for making torpedo boats, the machinery of such boats, the torpedo tubes, and the projectiles available for use in this country where we make all our war implements of domestic material?

Mr. PLATT. Everything is absolutely within reach.

Senator CHANDLER. Are there not many patents and patent processes?

Mr. PLATT. There are very few patents, and what patents there are are absolutely at the command of the Government, being used, I may say, without exception, at the present time, by the leading builders of this country.

Senator CHANDLER. What knowledge have you obtained of the facilities for building torpedo boats in this country?

Mr. PLATT. From my connection with firms at present building them—the Union Iron Works, of San Francisco.

Senator CHANDLER. How many firms in this country have you discovered that can build torpedo boats?

Senator SMITH. Or torpedo-boat destroyers?

Mr. PLATT. I would rather not undertake to answer that question.

Senator CHANDLER. Is the number so numerous? Is the field so large?

Mr. PLATT. Oh, yes; there are a number of firms who can build them. There are four or five firms.

Senator CHANDLER. As you know very well, there are only two concerns now prepared to make armor. How many firms are prepared to build torpedo boats?

Mr. PLATT. Five or six firms are prepared to build them, who are well able to do so. There are a number of firms building torpedo boats at the present time, but some of these would not be available for the large boats.

Senator CHANDLER. Are the latest devices in connection with torpedo boats and torpedo-boat destroyers available for those manufacturers in case the United States decides to enlarge its building of torpedo boats?

Mr. PLATT. Absolutely. That is shown from the fact that the Union Iron Works of San Francisco have at the present time everything available for the building of their boat, which, as has been before stated, is a “destroyer” of the latest type.

Senator CHANDLER. After you have stated all the additional facts that you think would be of use to us, kindly make any suggestions that occur to you as the result of your observation.

Mr. PLATT. From my observation at the present time, it seems to me it is very necessary that something should be done very quickly to start the building of a few of the very best boats, to be in every way as economical as those built in England, and so as to be in a position to compete with the boats of Spain and South American countries, which are all available now.

Senator CHANDLER. What is known about the South American countries that are ordering the larger boats?

Mr. PLATT. This year Brazil is ordering three destroyers and five torpedo boats. Spain has two destroyers on order that are known—that are given out as for Spain. Argentina and Brazil and Chile all have torpedo boats on order that have been given out.

Senator CHANDLER. Do you know anything of the present torpedo boats that Spain has near Cuba?

Mr. PLATT. No.

Senator CHANDLER. Do you know whether she has any there or not?

Mr. PLATT. No; I do not. The two big boats that have lately gone into commission have not yet come over.

Senator CHANDLER. Are they large enough to come across the water?

Mr. PLATT. Oh, yes; they are larger than the boats I have mentioned. They are a little more than destroyers. They are between a torpedo-boat destroyer and a torpedo gunboat. But on account of the long distance across by the direct route they might, in time of war, have considerable difficulty in getting them over.

Senator CHANDLER. They can be utilized as gunboats?

Mr. PLATT. To some extent they may.

Senator CHANDLER. Where are they now?

Mr. PLATT. They have been handed over to the Spanish officials and they are in one of the Spanish dockyards.

Senator CHANDLER. For whom were they nominally built?

Mr. PLATT. Those two were built for Spain.

Senator CHANDLER. Openly for Spain?

Mr. PLATT. Yes; they were built on the Clyde. I think they were called 27½-knot boats. They made about 28 knots. They are 300 tons displacement at least.

Senator CHANDLER. Is there any further suggestion you can make to us, Mr. Platt?

Mr. PLATT. I think not, Senator. I would like to refer to one matter. I have had some experience with constructional work in this country as well as in England, and I think you will at once appreciate the fact that for a torpedo boat costing \$290,000, and weighing only 270 tons the material will cut rather a small figure. This being the case, it is therefore the labor on the boat that is the most important item. As you know, skilled labor, and particularly skilled labor of a special class, costs more in this country than it does in England. The torpedo boat being a comparatively light shell filled with complicated and well-built machinery, the character of the labor employed in her construction is a most important factor in determining her efficiency. As the cost of labor is greater in this country and enters so largely into determining the total expense of construction, the total cost of the boat must necessarily be greater in this country.

Under no consideration could our shipbuilders construct this type of boat at a sum less than one-fourth greater than their English rivals. Of course, firms in all countries to fit themselves for new work are willing to construct the first boats practically at cost; they only do this when they have at last convinced themselves that there is to be a progressive and continuous demand for such work. Our torpedo boat-builders on the Atlantic Coast have undoubtedly in view customers from Central and South America, while builders on the Pacific Coast are looking for orders from Mexico, Central America, China, and Japan. To fit themselves for such orders they have undoubtedly bid on previous boats at figures which will not yield them profits, but which will furnish work to their artisans during dull times and thus keep their establishments from being closed down.

Senator CHANDLER. So the expense will be greater?

Mr. PLATT. The expense will most certainly be greater for boats equal in every way to those being produced abroad.

Senator CHANDLER. But there is no reason why we should not construct as good a torpedo-boat destroyer or torpedo gunboat on this side of the ocean as is constructed on the other side?

Mr. PLATT. Absolutely none.

Senator CHANDLER. There is no occasion for us to depart from our policy of using materials of domestic manufacture and building our boats here?

Mr. PLATT. Absolutely none. There is just this unfortunate position at the present time, that a number of firms think they can build a boat of this size, and unless the requirements are made very rigid so that they can not cut under with a smaller boat, to make a boat the same speed, difficulties may arise. Under the conditions that have existed up to the present in the letting of the contracts for torpedo boats, which have been very lax indeed, it is possible to get in smaller boats.

Senator CHANDLER. Is that a criticism you would make of the specifications which have been prepared for the 18 boats that have been building?

Mr. PLATT. There have been no specifications prepared for most of

the last lot of boats. Some have been allowed to build them just as they please. You see, certain boats were built without inspection from the Bureaus of Steam Engineering and Construction and Repair. As a matter of fact, at least two boats will be turned over to the Department without its possessing a single drawing of what is being put into their hands to take care of or without the Department knowing actually the size of the boats. They even have to take the displacement on faith. Such a method of awarding contracts is wholly dependent upon the good faith and integrity of the contractors, and is not in accordance with business methods.

Senator CHANDLER. Have you communicated the facts you are now giving to Engineer in Chief Melville.

Mr. PLATT. He must know of them.

Senator CHANDLER. He understands them fully?

Mr. PLATT. He must understand and appreciate them fully, but has evidently been powerless to apply a remedy.

Senator CHANDLER. That is all, Mr. Platt.

The CHAIRMAN. We are much obliged to you.

Senator CHANDLER. Mr. Hoar, we are also under obligation to you for your introduction of Mr. Platt to the committee.



GENERAL BONDED WAREHOUSES.

FEBRUARY 25, 1897.—Referred to the Committee on Finance and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE SECRETARY OF THE TREASURY, TRANSMITTING, IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 6, 1897, REPORT OF THE COMMISSIONER OF INTERNAL REVENUE, RELATIVE TO THE DISCONTINUING OF GENERAL BONDED WAREHOUSES ESTABLISHED UNDER THE PROVISIONS OF THE ACT OF AUGUST 28, 1894.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., February 25, 1897.

SIR: I have the honor to acknowledge the receipt of the resolution of the Senate directing that I inform the Senate whether an order has been issued discontinuing general bonded warehouses established under the provisions of the act of August 28, 1894, and if so, the authority and reasons for the issuance of such order.

In reply I have the honor to state that the resolution was referred to the Commissioner of Internal Revenue and herewith I transmit his report.

In transmitting his report to this office the Commissioner says:

I find upon examination that the power to discontinue warehouses, either special, general, or distillery warehouses, has always been taken to be inherent in the Commissioner of Internal Revenue, by whom they are established, and as implied by the power conferred upon him by the various statutes authorizing him to establish the same, and that such power of discontinuance, like the power to establish, has been uniformly exercised by him without the aid, authority, or concurrence of the Secretary of the Treasury.

In this view of the law I concur.

Respectfully, yours,

J. G. CARLISLE,
Secretary.

The PRESIDENT OF THE SENATE.

TREASURY DEPARTMENT,
OFFICE COMMISSIONER OF INTERNAL REVENUE,
Washington, D. C., February 11, 1897.

SIR: I am in receipt of the resolution of the United States Senate of the 6th instant, addressed to yourself and directing that you inform the Senate whether an order has been issued discontinuing general bonded warehouses established under the provisions of the act of Congress of August 24, 1894, and if so the authority and reason of the issuance of such order.

For your information in relation to the subject-matter of this resolution, I beg leave to state that under the authority granted by the act of August 28, 1894, there have been established at such points as were deemed most convenient and advantageous for the purpose of receiving and holding spirits transferred from distillery warehouses 16 general bonded warehouses. These warehouses were situated as follows:

GENERAL BONDED WAREHOUSES.

First district of California:

No. 1. Bode & Haslett, San Francisco.

District of Colorado:

No. 1. Denver Transit and Warehouse Company, Denver.

First district of Illinois: *a*

No. 1. Sibley Warehouse and Storage Company, Chicago.

Fifth district of Kentucky:

No. 1. Louisville Public Warehouse Company, Louisville.

No. 2. Herndon-Carter Company, Louisville.

No. 3. Louisville Public Warehouse Company, Louisville.

No. 4. General Storage Company, Louisville.

District of Maryland:

No. 1. E. A. Alexander, Baltimore.

Third district of Massachusetts:

No. 1. C. O. Fellows, Boston.

Sixth district of Missouri:

No. 1. Western Storage and Warehouse Company, Kansas City.

Second district of New York:

No. 1. G. Brickelmaier, 436 Pearl street, New York.

Third district of New York: *b*

No. 1. Terminal Warehouse Company, West Twenty-eighth street near Thirteenth avenue, New York.

Fourth district of North Carolina:

No. 1. S. J. Lambeth, Greensboro, Guilford County, N. C.

Fifth district of North Carolina: *c*

No. 1. A. K. Kligender, Statesville, Iredell County, N. C.

Twenty-third district of Pennsylvania:

No. 1. Union Storage Company, Pittsburg.

Second district of Virginia:

No. 1. J. R. Sedgwick, Richmond.

Of the above the following have been discontinued, or the parties interested have been notified of the intention to discontinue, viz:

Bode & Haslett, No. 1, First California.

The Denver Transit and Warehouse Company, No. 1, Colorado.

Sibley Warehouse and Storage Company, No. 1, Illinois.

E. A. Alexander, No. 1, Maryland.

C. O. Fellows, No. 1, Third Massachusetts.

G. Brickelmaier, No. 1, Second New York.

Terminal Warehouse Company, No. 1, Third New York.

A. K. Kligender, No. 1, Fifth North Carolina.

J. R. Sedgwick, No. 1, Second Virginia.

The following table exhibits the quantities of each of the various kinds of distilled spirits received in each warehouse during the years 1895 and 1896:

Statement of quantity of distilled spirits deposited in general bonded warehouses during the years 1895 and 1896.

Warehouse number and district.	Potable spirits: Bourbon, rye, rum, gin.	Other spirits: Alcohol, cologne, miscellaneous.	Total.	Date.
	<i>Gallons.</i>	<i>Gallons.</i>	<i>Gallons.</i>	
No. 1, First California.....	406, 828. 3	1, 394, 516. 1	1, 801, 344. 4	From January, 1895, to December, 1896.
No. 1, Colorado.....	18, 914. 5	74, 978. 3	93, 892. 8	From November, 1895, to December, 1896.
No. 1, First Illinois	463. 1	.....	463. 1	From December, 1895, to June, 1896. Closed.
Fifth Kentucky:				
No. 1.....	817, 115	12, 452	829, 567	From January, 1895, to December, 1896.
No. 2.....	86, 555. 2	21, 694. 8	108, 250	From May, 1895, to December, 1896.
No. 3.....	830, 764. 8	703. 3	831, 468. 1	From July, 1895, to December, 1896.
No. 4.....	205, 246. 6	.....	205, 246. 6	Do.
No. 1, Maryland.....	5, 203. 6	3, 345, 305. 1	3, 350, 508. 7	From June, 1895, to December, 1896.
No. 1, Third Massachusetts ..	109, 173. 7	2, 712, 159. 9	2, 821, 333. 6	From May, 1895, to December, 1896.
No. 1, Sixth Missouri	181, 217. 1	35, 937. 1	217, 154. 2	From July, 1895, to December, 1896.
No. 1, Second New York	5, 165. 9	683, 095. 5	688, 261. 4	From April, 1895, to December, 1896.
No. 1, Third New York	7, 242. 2	1, 160, 542. 7	1, 167, 784. 9	From May, 1895, to June, 1896, closed.
No. 1, Fourth North Carolina.	5, 961. 1	288. 6	6, 249. 7	From January, 1896, to December, 1896.
No. 1, Fifth North Carolina ..	. 0	31, 547. 5	37, 547. 5	From August, 1895, to December, 1895, closed.
No. 1, Twenty-third Pennsylvania.	293, 726. 4	44, 582. 2	338, 308. 6	From January, 1895, to December, 1896.
No. 1, Second Virginia	18, 433. 3	133, 715. 5	152, 148. 8	From September, 1895, to October, 1896, closed.

It will be observed that at the several warehouses which have been ordered discontinued, with a single exception, the receipts of "other spirits," namely, of alcohol, pure, or cologne, or miscellaneous spirits, have very largely predominated over the receipts of whiskies and other beverage spirits, frequently amounting to much the larger portion of the entire quantity deposited in the warehouse, and in some cases to nearly the entire quantity.

It was supposed and believed at the time of the establishment of these warehouses that they would furnish a needed convenience to the owners of whiskies and other potable spirits which were lying in distillery warehouses and which the owners desired to bring forward toward their destined market, and yet wished to retain the advantage of remaining in bond while ripening and becoming fit for consumption. The same act which authorized these warehouses also extended the bonded period from three years to eight years duration, thus affording reason for additional warehouse accommodation for the class of spirits which, as above mentioned, require the effects of age to render them suitable for use as beverages.

So far as this expectation as to the use of these warehouses has been met, to that extent the warehouses are considered by this office to have properly fulfilled the purpose of their erection.

But to a very considerable degree a contrary state of affairs has existed. Under the provisions of the act authorizing them no limitation exists as to removal of the different kinds of spirits to these warehouses. The effect has been that several of the warehouses have been principally used for temporary occupancy by the kinds of spirits, such as alcohol, pure, neutral or cologne spirits, which require no time to fit them for consumption, and which only visit a general bonded warehouse on their way from the distillery to a market in order to obtain the advantage of delay in the payment of tax during the period of transportation, and allowance for the loss of the article during such transportation; the warehouse becoming thereby little more than a

distributing agency for such spirits. This occupancy of the warehouses by the spirits described has appeared to be so clearly against the interests of the revenue, while being of no service to the owner of the spirits save as affording opportunity to avoid some taxation, that it has not been regarded as a wise policy to maintain warehouses which were chiefly used for this purpose.

Accordingly this office, in virtue of the implied power (exercised without question from the earliest establishment of bonded warehouses) of the Commissioner of Internal Revenue to discontinue warehouses, whether distillery warehouses, special bonded warehouses, or general bonded warehouses, which are established by him, has discontinued the warehouses of this class as above set forth, or given preliminary notice to the parties interested of an intended discontinuance; the purpose and intent being to limit the number and expense of such warehouses to those which shall be found necessary for the accommodation of the kinds of spirits which require long periods of storage in warehouses.

My immediate predecessor in office, in his annual report for the fiscal year ended June 30, 1896, referred to this subject in the following manner:

Under the authority conferred for that purpose by section 51 of the act of August 28, 1894, I have established in a number of collection districts one or more warehouses for the storage of spirits distilled from materials other than fruit, known as general bonded warehouses.

Some of these warehouses have proved to be of convenience to the taxpayer without an undue amount of expense to the United States. Others have been found to be detrimental to the interests of the Government.

Under the general provisions of the law, the privilege of removal to and storage in these warehouses is extended to all kinds of distilled spirits without exception, and consequently several of the warehouses so established have been mainly used for temporary occupancy by spirits for which the warehouses served merely as distributing agencies, instead of furnishing a convenient place for the permanent storage of spirits which require to be aged and ripened, as was contemplated by the statute.

The practice of distributing these spirits designed for immediate consumption from the warehouse rather than from the distillery has resulted, of course, in delaying the payment of the tax thereon until the expiration of the period covering the transportation of the spirits from the distillery to the warehouse and their subsequent disposition to the trade, and consequently the natural loss of the taxable article occurring during such delay is, in respect to the tax, transferred to the Government instead of falling upon the owner, by whom it has properly been hitherto borne.

In view of this condition of affairs, I have deemed it best to discontinue such of these warehouses as were manifestly not subserving the purposes of their establishment.

I would recommend that the statute in this regard be so amended as to limit the privilege of storage in these warehouses to such spirits as may be approved by this office; and further, that provision be made for a charge of not less than 25 cents each for the general bonded warehouse stamps and rewarehousing stamps which are affixed to packages of spirits upon transfer from a distillery warehouse to a general bonded warehouse, or from one general bonded warehouse to another, which charge, it is believed, would mainly defray the expense to which the Government is put for the supervision and control of these warehouses. Unless action to this effect should be taken it would seem to be best that the authority for their establishment should be withdrawn.

In this statement of the case and recommendation as to amendment of the law I fully concur.

I will add to the foregoing that, in case of one of the warehouses ordered to be discontinued, I have modified the order, inasmuch as the proprietor has satisfied me of his intention to receive hereafter for storage in his warehouse only whiskies and other beverage spirits.

Respectfully, yours,

W. S. FORMAN, *Commissioner*.

The SECRETARY OF THE TREASURY.

OGDEN LAND COMPANY.

FEBRUARY 25, 1897.—Laid on the table and ordered to be printed.

Mr. CALL presented the following

MEMORIAL OF THE SENECA NATION OF INDIANS, PROTESTING AGAINST THE PROPOSED PURCHASE BY THE SECRETARY OF THE INTERIOR OF THE TITLE OR INTEREST OF THE OGDEN LAND COMPANY, SO CALLED, IN AND TO THE LANDS EMBRACED WITHIN THE ALLEGANY AND CATTARAUGUS INDIAN RESERVATIONS, IN THE STATE OF NEW YORK.

EXECUTIVE DEPARTMENT,
SENECA NATION OF INDIANS,
Salamanca, N. Y., ——— ———, 1897.

Know all men by these presents:

That the Seneca Nation of Indians in council assembled have duly made and appointed W. C. Hoag, A. L. Jimerson, Frank Patterson, W. W. Jimerson, and W. S. Kennedy to be our delegates to go to Washington, D. C., on business for the said Seneca Nation of Indians, and especially to remonstrate against the passage by Congress of the proposed amendment in the appropriation bill H. R. 10002 intended to be proposed by Mr. Hill, of New York, that the Secretary of the Interior be authorized and directed to purchase the title or interest of the Ogden Land Company, so called, in and to the lands embraced within the Allegany and Cattaraugus Indian reservations, in the State of New York, for which purpose the sum of \$270,345 is appropriated, said sum to be paid to said Ogden Land Company or its legal representatives; and the amount thereby appropriated shall be reimbursed by the United States out of any funds of the Indians. Now, as that may hereafter come under the control of the United States, we give them full power and authority in the matter, with full confidence in them to represent us and make known our wishes.

The foregoing was duly adopted in open council by a unanimous vote of the Seneca Nation council, assembled at Shongo Court-House, on the Allegany Reservation, this 17th day of February, 1897.

In testimony whereof we have caused these presents to be signed by our president and attested by our clerk, and have caused the great seal of our nation to be hereunto attached the day last above named.

W. C. HOAG,
President of the Seneca Nation of New York Indians.

Attested:

A. L. JIMERSON,
Clerk Seneca Nation of New York Indians.

DEPARTMENT OF THE INTERIOR,
U. S. INDIAN SERVICE, NEW YORK AGENCY,
Olean, N. Y., February —, 1897.

To whom it may concern:

I hereby certify that W. C. Hoag, named in the annexed record of a meeting of the council of the Seneca Nation of Indians, is president of said nation, that A. L. Jimeson is the clerk of said Seneca Nation of Indians, that Frank Patterson and W. W. Jimeson are councillors of the said Seneca Nation, and that W. S. Kennedy is surrogate of the Seneca Nation of Indians on the Cattaraugus Reservation.

I also certify that, as I am reliably informed, the said W. C. Hoag, A. L. Jimeson, Frank Patterson, W. W. Jimeson, and W. S. Kennedy were duly chosen to represent the Seneca Nation of Indians as delegates to state the wishes of said Indians with reference to the proposed purchase of the alleged title of the Ogden Land Company (so called) by the Government, and upon the question of the proposed allotment of the lands of said Indians in severalty and making said Indians citizens, as provided by the amendment to the appropriation bill (H. R. 10002) intended to be proposed by Mr. Hill, of New York, in the Senate.

I also certify that, as I am informed, W. C. Hoag, A. L. Jimeson, Frank Patterson, W. W. Jimeson, and W. S. Kennedy were chosen as such delegates at a regular meeting of the council of said Seneca Nation of Indians.

J. J. JEWELL,
United States Indian Agent.

To the Honorable Senate and House of Representatives of the United States in Congress assembled:

We, the undersigned, delegates of the Seneca Nation of Indians, would respectfully memorialize your honorable body against the proposed amendment to the Indian appropriation (H. R. 10002) intended to be proposed by Mr. Hill, of New York:

That the Secretary of the Interior be, and he hereby is, authorized and directed to purchase the title or interest of the Ogden Land Company (so called) in and to the lands embraced within the Allegany and Cattaraugus Indian Reservation in the State of New York, for which the sum of two hundred and seventy thousand three hundred and forty-five dollars is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, said sum to be paid to said company or its trustees or legal representatives upon the execution and delivery of a deed or deeds of conveyance of said lands to the United States satisfactory to the Secretary of the Interior, and the amount hereby appropriated shall be reimbursed to the United States out of any funds of the said Indians now, or that may hereafter come, under the control of the United States, or that may hereafter arise from the sale or leasing of the lands within said reservations.

This intended legislation created a great disturbance among the people of the Seneca Nation of Indians, and the council of said nation took immediate consideration on the subject and concluded to oppose the said intended amendment by said Mr. Hill, of New York, for the following reasons:

Your memorialists believe such act of legislation on the part of the Congress of the United States inconsistent with the agreement and understanding with our forefathers in pursuance of article 3 of the treaty proclaimed January 21, 1795, where the following clause is mentioned: "Now, the United States acknowledge all the land within the said reservation to be the property of the Seneca Nation of Indians, and the United States will never claim the same nor disturb the Seneca Nation of Indians, nor any of the Six Nations residing thereon and united with them in the free use and enjoyment thereof, but it shall

remain theirs until they choose to sell the same to the people of the United States, who have the right to purchase." The treaty is as binding upon the Congress of the United States as any treaty with a foreign power.

In regard to the Ogden Land Company (so called) there never was a corporation called "The Ogden Land Company." There is no capital stock. There are twenty shares or interests in the trust estate. They have no face value, each share representing one-twentieth of whatever may be the value of the right to buy the lands. An effort was made in the Fifty-third Congress to amend the Indian appropriation bill by inserting a provision for the purchase by the Government of the alleged Ogden Land Company's claim, and then compel the Indians to reimburse the Government. The amendment was made in the Senate, but after prolonged discussion in the House was rejected. It was believed that the passage of the amendment would be a gross act of injustice toward the Indians.

The Hon. Charles Daniels, for many years a justice of the supreme court of his State and a jurist of the highest standing, was thoroughly familiar with all the facts concerning the claim of the Ogden Land Company. He said in the House of Representatives:

Now, Mr. Speaker, all that the Ogden Company have in connection with this matter is simply the right to buy out the Indians in case the Indians are willing to sell. They have no further authority over the property in any shape or form, and the Supreme Court of the United States, in 5 Wallace, decided that the Indians were owners of the property and no person had the right to interfere with them or force an exchange of property unless they were willing to sell. It was simply the option to buy the lands of the Indians, and the Indians refused to sell. From the time when the treaty was first made with them—and they were cheated by the treaty—the Ogden Company were really required to and did convey back to the Indians these two reservations because of the fact that they had been cheated; and I repeat, from that time to this the Indians have been unwilling to make any agreement with these people or to part with their title under any circumstances.

Mr. Van Voorhis, one of the most eminent lawyers in western New York, said to the House of Representatives:

I call attention to a decision by the highest court of the State of New York, the court of appeals (in the case of *Fellows v. Lee*, 5 Denio, 628), to the effect that the title of these Indians to these lands is original, absolute, and exclusive.

And your memorialist believes that the decision of the court of appeals in the State of New York and the Supreme Court of the United States settles the question beyond all doubt that the title in these two reservations is in the Seneca Nation of Indians absolutely, and that the Indians would acquire nothing by the payment of this \$270,345.

This Ogden Company, now reduced to a single trustee, named Appleby, residing in New York, claiming to hold in trust a mere abstract right, has been watching a hundred years or thereabouts to chisel the Seneca Nation of Indians out of their lands. Not being able to do it, they come and ask Congress to compel the poor Indian to give them \$270,345, and your memorialist calls the attention of your honorable body to the annexed report of the nature, extent, and effect of the alleged claim of the Ogden Land Company.

Therefore your memorialist respectfully and earnestly prays before your honorable body that no such legislation or amendment be made in the aforesaid Indian appropriation bill as is intended to be proposed by Mr. Hill, Senator of New York.

W. C. HOAG,
FRANK PATTERSON,
ELI T. JIMERSON,
WILLIAM W. JIMERSON,
A. L. JIMERSON,
Seneca Indian Delegation.

FEBRUARY 7, 1896.

SIR: Having been requested to investigate and report to you the nature, extent, and effect of the alleged claim of title of the Ogden Land Company in and to the Allegany and Cattaraugus Indian reservations, and possibly a small portion of the Tuscarora Reservation, in the State of New York, I respectfully report that the alleged claim of the Ogden Land Company arises out of the following facts, viz:

Massachusetts claimed lands embraced in the claim of the Ogden Land Company under a charter to the Plymouth Company from Charles II, 1628-29.

New York claimed the same lands under a grant from the Duke of York, March 12, 1664.

The two States appointed commissioners to settle the disputed claims. The commissioners met at Hartford, Conn., and a settlement was effected December 16, 1786. By that settlement Massachusetts ceded to New York all claims of government, sovereignty, and jurisdiction of the lands in question. New York ceded to Massachusetts and its grantees the right of preemption from the natives and all rights of ownership, except sovereignty, etc., the State of Massachusetts to have the right to grant the right of preemption to any person or persons, which persons shall have good right to extinguish by purchase the claim of the natives. May 11, 1791, the State of Massachusetts granted to Robert Morris the same rights and ownership as ceded by New York to Massachusetts, being the right to extinguish by purchase the title of the natives. That is to say, the State of Massachusetts made a deed purporting to convey the same rights and ownership as ceded by New York to Massachusetts, being the right to extinguish by purchase the title of the natives, to Robert Morris.

The only alleged claim, right, or title in and to these lands occupied by the Seneca Nation of Indians subsisting in the Ogden Land Company is derived wholly through several mesne conveyances from Robert Morris, under the deed from Massachusetts to Robert Morris, purporting to convey the preemption right to extinguish by purchase the title of the natives.

One of the questions involved is the effect of the deed from the State of Massachusetts to Robert Morris and what title, right, or interest it conveyed, and is probably the vital question as to the extent of the claim of the Ogden Land Company, inasmuch as the Ogden Land Company derive their alleged title or claim through and under the deed from Massachusetts to Robert Morris.

The lands in question are now occupied by the Indians, and consist of the Allegany and Cattaraugus reservations, and possibly a small part of the Tuscarora Reservation, in the State of New York.

For a history of this alleged title and the origin of the same, and the status of the Ogden Land Company, its origin, formation, and legal status, see the letter of the honorable Secretary of the Interior addressed to the President of the Senate, dated February 1, 1895, and particularly the brief of the Hon. C. A. Maxwell, contained therein, commencing at page 24. Also see the case of the Seneca Nation of Indians *v.* Christie, 49 Hun. (New York State Reports), 524. Also, see the same case, 126 New York Reports (Court of Appeals), page 122.

It will be seen from the transactions between the States of New York and Massachusetts, and the several conveyances under which the Ogden Land Company obtained its alleged claim or title, that the alleged claim or title is the right to extinguish, by purchase from the Indians, the Indian title.

The real question, therefore, is: What right, title, or interest did the State of Massachusetts, by said deed, convey to Robert Morris in and to the lands occupied by the Indians within the sovereignty and jurisdiction of the State of New York?

The deed purported to convey the preemptive right to extinguish the title of the Indians by purchase. The question, therefore, is: What is the preemption right to extinguish by purchase in the Ogden Land Company? What does it amount to? What is the extent of that claim or alleged right? Has the Ogden Land Company any vested right or interest in said lands?

Preemption in the abstract and in common law is the first buying of a thing—a privilege formerly enjoyed by the Crown of buying up provisions and other necessities, by the intervention of the King's purveyors, for the use of his royal household at an appraised valuation in preference to all others, and even without the consent of the owner. (Burrill's Law Dictionary, vol. 11, 326; 1 Blackstone's Commentaries, 287.)

Webster defines preemption to be the act or right of purchasing before others, as the privilege or prerogative formerly enjoyed by the King of buying provisions for his household in preference to others. This was abolished by 12 Charles 11. In American law, a privilege enjoyed by Government in relation to Indian lands. Congress has the exclusive right of preemption to all Indian lands lying within the territory of the United States. (Burrill's Law Dictionary, *supra*; 8 Wheaton, 543; 1 Kent's Commentaries, 257.)

Preemption is defined in Bouvier's Law Dictionary to be the right of a nation to detain the merchandise of strangers passing through her territory or seize in order to afford her subjects the preference of purchase. (1 Chitty's Common Law, 103; 2 Sherwood's Blackstone's Commentaries, 287.)

Preemption right is defined by Bouvier to be the right given to settlers upon the public lands of the United States to purchase them at a limited price in preference to others. It gives a right to the actual settler, who has entered and occupied without title, to obtain a title to a quarter section at the minimum price fixed by law, upon entry in the proper office and payment, to the exclusion of all others. It is an equitable title, and does not become a title at law to the land until entry and payment. (See Bouvier's Law Dictionary, 361, and cases cited; 3 Washburn on Real Property, 532, marginal paging.) And though it was held in Illinois that it was a right which might be transferred by deed as property (9 Illinois, 454), it gave merely a right of occupancy and a right to acquire the legal title. A preemptive right confers no title until the holder of it makes an entry and pays for the land. (3 Washburn on Real Property, *supra*; 15 Illinois, 131; 15 Wallace, 77 and 94; 9 Wallace, 187.)

It follows that there is no title, either legal or equitable, in the person who has the right, unless an entry is made and he is in possession under it.

It may be said that there is no preemptive right except in the sovereign. Indeed sovereignty, eminent domain, and preemption are inseparable. From the very nature of the right an individual can not exercise it, except with the consent of the sovereign. The term preemption is nearly, if not quite, synonymous with "eminent domain." At any rate it is so closely allied as to be inseparable from it.

The courts of the State of New York have incidentally passed upon

this question in several cases; but in most of them, if not in all of them, the direct question herein involved was not in question. In most of them remarks have been made by the learned judges, hereinafter referred to, which were "obiter." In no case which has been decided by the courts of New York has the question been passed upon as to what right or title the Ogden Land Company have in Indian lands where the Ogden Land Company have not made an agreement with the Indians, paid the purchase price, and taken possession, with the consent of the agents of the State of New York and in the presence of a commissioner appointed by the United States, and with the approbation and consent of the United States, except in one case where the commissioner of the United States was not present, and in that case the transaction was afterwards validated by an act of Congress, hereinafter referred to.

I can find no decision of any court passing directly upon the question as to what right or title the Ogden Land Company have in the lands of the Indians that are now occupied by the Indians, or would have in any lands occupied by the Indians without an agreement to purchase, with the consent of the agents of the State of New York and with the approbation of the General Government.

The only cases in which any right or title of the Ogden Land Company has been recognized by the courts are cases in which it has been able to secure an agreement from the Indians for a purchase, with the consent of the agents of the State of New York and with the approbation and ratification of the United States.

It is held in 5 Denio, 628, that the title of the native Indians to their lands is an absolute ownership; that the right of preemption of lands in the western part of the State of New York, ceded to Massachusetts by the convention of 1786, was simply a right to purchase the lands from the Indians when they chose to sell them.

The case last cited was an action for waste upon the Indian lands, in the form of an action of trover, for timber cut. The plaintiffs claimed title under the preemptive right secured to the State of Massachusetts by the convention made between Massachusetts and New York in 1786. This case was in the court of errors of the State of New York. Senators Barlow, Porter, Putnam, and Spencer delivered written opinions affirming the judgment in that case, which was a judgment for the defendant, and upon the ground sustained in the Supreme Court, that the Indian title to the lands was an absolute fee, and that the preemption right ceded to Massachusetts was simply a right to acquire by purchase from the Indians their ownership of the soil whenever they should choose to sell it.

In *Ogden v. Lee* (New York Reports, 6 Hill, 546), the supreme court held, among other things, that the Seneca Nation of Indians never parted with the title to the lands on which the timber was cut:

Their right is as perfect now as when the first European landed on this continent, with the single exception that they can not sell without the consent of the Government. The right of occupancy to them and their heirs forever remains wholly unimpaired. They are not the tenants of the State or of its grantees. They hold under their own original title. (See also *Strong and Gordon, Chiefs of the Seneca Nation of Indians, v. Waterman*, 11 Paige, 607.)

In the case of the New York Indians (5 Wallace, 761), the Supreme Court of the United States held:

That until the Indians have sold their lands and removed from them in pursuance of the treaty stipulation, they are to be regarded as still in their ancient possessions and are under their original title, and entitled to the undisputed enjoyment of them.

To the same effect, see *Fellows v. Blacksmith*, 19 Howard, 366. Judge Nelson in the case last cited also says:

All agree that the Indian right of occupancy creates an indefeasible title to the reservation that may extend from generation to generation, and will cease only by dissolution of the tribe or their consent to sell to the party possessed of the right of preemption.

The concensus of opinion would seem to be that the Indians have an indefeasible right and title to the occupancy of their lands reserved to them and their heirs forever, subject only to the right of preemption when they choose to sell. Preemption and sovereignty being inseparable, it is difficult to see what tangible interest the Ogden Land Company have in these lands. In my opinion it is clear that the Ogden Land Company have no vested right in these Indian lands. If the Indians choose to sell their title, and the Ogden Land Company purchase upon the terms made by the Indians, and the sale is made with the consent of the agents of the State of New York, and in the presence of a commissioner of the United States Government, and ratified by the United States Government, and the terms of sale completed, then the Ogden Land Company would get a title, and not otherwise.

It is difficult to see how a sovereign State, having the right of preemption, can alien the same to an individual, although authorized so to do by the terms of the cession to the sovereign. That is to say, it is difficult to see what measure of title the alienee of the sovereign would take, being unable to acquire any vested interest without the intervention or rather consent and ratification of the agents of the State of New York, and particularly the ratification of the General Government.

The State of Massachusetts owned the preemptive right to purchase of the Indians, but surrendered the sovereignty, jurisdiction, and government to the State of New York. The lands in question lie wholly within the State of New York. The Government of the United States is the guardian of all the Indians within the domain of the United States, and the wards of the Government can not sell their lands without its consent.

Congress has the exclusive right of preemption to all Indian lands lying within the territory of the United States. Upon the doctrine of the court in the case of *Fletcher v. Peck* (8 Wheaton, 543), the United States own the soil as well as the jurisdiction of these lands. (See also 6 Cranch, 142 and 143; 1 Kent's Commentaries, 258, marginal paging.)

It is claimed that Massachusetts obtained the preemption right to have these lands before the adoption of the Federal Constitution, and therefore obtained a title to said right independent of the General Government. Massachusetts, however, did not convey to Robert Morris until after the Federal Constitution had been adopted and ratified by Massachusetts.

It has been held that subdivision 3, of section 8, of article 1 of the Constitution of the United States, providing "That Congress shall have the power to regulate commerce with foreign nations and among the several States and with the Indian tribes," does not apply to this right of preemption. (See *Seneca Nation v. Christie*, 126 New York, 122.)

It is, however, apparent from this decision that no purchase can be made of the Indians of their lands by anyone except in the presence of the lawful agent or agents of the State who may be present at a treaty held with the Indians under the authority of the United States, in the presence and with the approbation of the commissioner or commissioners of the United States, appointed to hold the same, and to

propose and adjust with Indians the compensation to be made for their claims to lands within such State which shall be extinguished by treaty. It is not necessary that a treaty for the purpose shall be one between the United States and the tribe from which the purchase is made; it is sufficient that the purchase is made and a treaty held under the authority of the United States, and in the presence and with the approbation of its commissioner. (See *Seneca Nation v. Christie*, 126 New York, supra, and the opinion of Andrews, J.)

In the case last cited, which was in the court of last resort in the State of New York, it was held that although the sale to Ogden by the Seneca Nation was not made in the presence and with the approbation of the commissioners of the United States, that it was afterwards validated by an act of Congress of 1846.

Section 12 of the act of 1802, known as "the Indian intercourse act," invalidates any purchase of land from Indians unless made by treaty or convention entered into pursuant to the Constitution, and applies simply to purchases of Indian lands owned by the United States, for the sale of which its consent is indispensable. The proviso in said provision making it "lawful for the agent or agents of any State who may be present at a treaty held with Indians under the authority of the United States, in the presence or with the approbation of the commissioner or commissioners of the United States appointed to hold the same, to propose and adjust with the Indians the compensation to be made for their claims to lands within such State which shall be extinguished by treaty," was intended to except from the scope of the first part of section dealings with Indian tribes for the purchase of their rights to lands within the State of which the State owned the preemptive title, and it does not require that the treaty for that purpose shall be one between the United States and the tribe from which the purchase is made. (See 126 New York, 122, supra, and the opinion of Andrews, J., and cases cited.)

The State of New York owns no preemptive title, neither does the State of Massachusetts. It will be seen from the case last cited that even in a case where the State owns the preemptive title, the consent of its agents and the presence of the commissioner of the United States, and the approbation of the United States is indispensable to a sale, although in such a case no formal treaty between the United States and the Indian tribe is requisite to a perfect title.

It is therefore clear to me from the authorities that whoever may purchase from the Indians, it must be a purchase made with the authority of the agents of the State which has jurisdiction and sovereignty of the Indian lands, under a treaty or convention with the Indian tribe, under the authority of the United States, and in the presence of and with the approbation of its commissioner.

In my opinion, the Ogden Land Company, as the alienee of the State of Massachusetts, received no substantial right or claim by such grant or conveyance. It appears from the letter of the Honorable Secretary of the Interior to the President of the Senate, before referred to, that it is contemplated that the Indians will at some time be made citizens and their lands allotted to them in severalty by the General Government. This, in my opinion, would evaporate all alleged claims of the Ogden Land Company to their Indian lands.

It was remarked by Judge Denio, incidentally, in the case of *Fellows v. Dennison*, Comptroller (23 New York Reports, 420), that the alleged claim of the Ogden Company is a "technical fee." I can not assent to this. It is either a fee or it is not a fee. I know of no such thing in

law as a "technical fee," any more than there can be a "technical" African or a "technical" Caucasian.

In any event, the Indians can not sell their lands without the consent and approbation of the General Government to anyone, and the alleged right of the Ogden Land Company is the mere naked right to purchase from the natives when it can induce them to agree to a sale, with the consent of the agent of the State of New York, and the contract being made in the presence of a commissioner or commissioners of the United States and with the approbation of the United States. Anyone else can purchase if the agents of the State of New York consent, and the sale is made in pursuance of the provisions of the said Indian intercourse act. The only advantage the Ogden Land Company can claim (and this, in my opinion, is their sole right or alleged title) is that, under the circumstances, neither the agents of the State of New York or the General Government would consent to or approve of a purchase by any other than the Ogden Land Company.

If any other than the Ogden Land Company should purchase of the Indians, the purchase must be made under the same consent and authority and for a fair market value. This is the only right the Ogden Land Company has. In other words, the Ogden Land Company relies upon the General Government and the State to approve of any purchase it may make under the provisions of the Indian intercourse act of a purchase made by anyone else under the same provisions. The Ogden Land Company may claim that under the circumstances good faith would require the State of New York and the General Government so to do. This is the whole scope and extent of the alleged claim of the Ogden Land Company, in my opinion.

But the Indians, it is conceded, are entitled to occupy their lands to them and their heirs forever, which is a fee simple absolute, qualified only by the bare and naked right of the Ogden Land Company to purchase, depending for its enforcement and completion upon a satisfactory agreement to purchase from the Indians, with the consent and approbation of the General Government and of the State; paying a full value therefor and relying upon the expectation that the State and General Government would not approve or consent to a sale by the Indians to another upon the same terms.

The reception by the General Government of the consummated and perfected sale of Indian lands referred to in the brief of the Hon. C. A. Maxwell, contained in said letter from the Honorable Secretary of the Interior hereinbefore referred to, has no weight, in my opinion, in determining the question here involved. All of these sales were executed and completed contracts, with the consent of the agents of the State of New York and in the presence of a commissioner of the United States, except in one instance where the commissioner was not present, and which transaction was afterwards validated by an act of Congress. Any other than the Ogden Land Company could, in my opinion, have made the same purchase under the same circumstances.

It is true that the United States approved of the cession by New York to Massachusetts, and also of the deed from Massachusetts to Robert Morris. This was only a recognition of the right of Robert Morris and his grantees to extinguish by purchase the title of the Indians; this right was of course subject to all the conditions before mentioned for such a purchase. The Indians were in possession, and were the wards of the Government and, notwithstanding the terms of the deed to Robert Morris from Massachusetts, the Government and the State of New York would at all times be bound to protect the

rights of the Indians, and to consent to no purchase, either by the Ogden Land Company or anyone else, except upon terms as favorable as possible to the Indians.

It is beyond question that the Indians are entitled to occupy their lands from generation to generation, and until they become absolutely extinct, and when they do become extinct the title is in the General Government.

There seems to be no prospect that the Indians will abandon their lands and homes they have so long occupied. A large portion of the lands are cultivated and improved, and many of the Indians have fine homes. If, as is contemplated, the Indians at some time are made citizens by the General Government and their lands allotted to them in severalty, the alleged claim or title of the Ogden Land Company would, in my opinion, be dissipated and worthless. The Indians, or any of them, could sell to whom they chose without the consent of the General Government or of the State, and if others than the Ogden Land Company could not dispossess the purchaser, it is difficult to see how it would be entitled to any damages.

In my opinion the United States are under no obligation, moral or otherwise, to refuse citizenship to the Indians and the allotment to them of their lands in severalty until a purchase is made from the Ogden Land Company of this alleged claim. As has before been said, the act of making them citizens and allotting to them their lands in severalty completely evaporates, in my opinion, this alleged claim of the Ogden Land Company.

It has been said that this alleged right of preemption in the Ogden Land Company constitutes a cloud upon the Indian title. In my opinion that cloud is not of such sufficient density to cause any serious embarrassment in the future, or to be of any considerable value; and the same will be entirely dissipated as soon as the Indians are made citizens and their lands, which they and their heirs forever are permitted to occupy, shall be allotted to them in severalty.

J. R. JEWELL,
United States Indian Agent.

Hon. W. A. POUCHER,
United States Attorney for the Northern District of New York.



REMOVAL OF CERTAIN EMPLOYEES IN THE BUREAU OF
ANIMAL INDUSTRY AT SOUTH OMAHA.

FEBRUARY 25, 1897.—Laid on the table and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE SECRETARY OF AGRICULTURE, COMMUNI-
CATING, IN RESPONSE TO SENATE RESOLUTION OF THE 22D
INSTANT, INFORMATION RELATIVE TO THE REMOVAL OF CER-
TAIN EMPLOYEES IN THE BUREAU OF ANIMAL INDUSTRY AT
SOUTH OMAHA.

U. S. DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., February 25, 1897.

Referring to the resolution of the Senate of the United States of February 22, 1897, calling upon the Secretary of Agriculture to send copies of all affidavits and depositions, including the names of the affiants and deponents, and all letters and documentary evidence, on which W. S. White, John Zeller, William Holmes, Mary R. Dalton, and Mary Flynn, or any of them, were removed from their positions in the Bureau of Animal Industry at South Omaha, Nebr., or which in any manner justified such removals, or any of them, I have the honor to state that the action referred to was made upon official knowledge of the condition of the service at South Omaha, acquired through oral reports received from the inspectors of the Bureau of Animal Industry and from the chief of that Bureau. After Dr. Salmon visited South Omaha in 1894 he reported to me that Dr. White was doing a private practice during office hours, and that his influence was prejudicial to the discipline of the employees.

From my knowledge of Dr. White, I was of the opinion that his action was simply an error of judgment, and that cautionary instructions would be sufficient to secure proper attention to his duties. Being finally convinced that he would not give proper attention to the service, I removed him from the position which he held. John Zeller, William Holmes, Mary R. Dalton, and Mary Flynn were inefficient and incompetent, and were removed for that reason.

I inclose copies of letters and affidavits which are considered sufficient evidence of a condition of affairs at South Omaha that demanded correction, and also show that Dr. White, especially, had been repeatedly notified that he was expected to give his time and attention during office hours to his official work. The affidavits were taken after the removal was made, upon receipt of information that the case was to be brought by Dr. White to the attention of the Civil Service Commission.

Very respectfully,

J. STERLING MORTON,
Secretary.

The PRESIDENT OF THE SENATE.

REMOVAL OF CERTAIN EMPLOYEES.

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., December 3, 1894.

SIR: A report from Dr. Devoe, relative to the efficiency of the force at South Omaha, convinces me that you are doing your very best to make the work of the Bureau of Animal Industry of value to the packers and the public. Therefore, you are again instructed that in the discharge of your duty you shall know no qualification for employees under you except fidelity to their duties and the faithful discharge of the same day after day. No man will be retained on account of mere politics, and no man need think for a moment that he has a "pull" (if one may use the political parlance of the day), either with the Secretary of Agriculture or any other member of the Administration, that will continue him in office unless he does his duty thoroughly well and keeps always intact his reputation as an industrious, temperate, decent, quiet citizen.

This letter you are at liberty to show to any and all comers.

Respectfully, yours,

J. STERLING MORTON, *Secretary.*

Dr. DON C. AYER,
Bureau of Animal Industry, South Omaha, Nebr.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., December 3, 1894.

SIR: You will please inform the packers for whom you are inspecting that, beginning with the 15th instant, they will be expected to furnish the labor required to put the stamps on packages. The work must be under the supervision of the employees of this Bureau, and you will see that someone is at each packing house who is responsible for the stamps used and who will know of his personal knowledge that they have all been put upon the packages. After making these arrangements, you will please make a report on the condition and efficiency of your force, and state how many men can be dispensed with without injury to the service; also make recommendations as to the parties who are of the least use to you, so that in making reductions the most efficient employees may be retained.

It is the Secretary's desire to place the force at South Omaha upon a good working basis, and he has written you to-day to assure you that he would not countenance insubordination, or the attempt by anyone to avoid the work or responsibilities which their position implies.

Very respectfully,

D. E. SALMON,
Chief of Bureau.

Dr. DON C. AYER,
(Care Cudahy Packing Company),
South Omaha, Nebr.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., December 3, 1894.

SIR: The changes recommended in your recent letters from South Omaha have been carried into effect, and it will probably be well for you to return when your inspection at Sioux City is complete. I wrote you a few days ago to inspect Sioux City, Nebraska City, St. Joseph, and Kansas City in order to put the work on a uniform basis at all of these points.

There have been many complaints that the inspection was more rigid at some of these places than at others, and while this is probably in part due to local jealousy, the Secretary is desirous of removing any cause of complaint which may exist. He has just written to Dr. Ayer that he will support him in maintaining discipline, and that no political influence will shield any of his employees.

It is time that the men on the force at South Omaha learn that the Secretary intends to conduct the inspection on a business basis, and not to allow political influence to interfere with that intention.

You will please write me, on your return to South Omaha, how matters are going on and if any further action is necessary to maintain discipline and secure honest service, and make such recommendations as you think will best secure this object.

Very respectfully,

D. E. SALMON, *Chief of Bureau.*

Dr. W. S. DEVOE,
(Care Dr. John Airth, care Sioux City Packing Co.)
Sioux City, Iowa.

FEBRUARY 14, 1895.

DEAR SIR: I have just written to the owners of the Packers' National Bank that our force will continue to occupy that building, providing skylights are put in and the partitions are removed between the rooms occupied by the assistant microscopists so that there can be one large room for their use. I have asked them to consult with Dr. Ayer and yourself as to the number of partitions that should be removed.

In making a room for the microscopical work it should be large enough to accommodate as large a force as is likely to be needed. It may, however, be more convenient to you to have one of the small rooms retained as a storeroom, and that you could still have a large enough room made from the others. I leave this to the discretion of Dr. Ayer and yourself. When this change is made I desire that you shall remain in the room with the assistant microscopists while they are at work to see that the work is properly conducted and that their findings are reliable. It is not satisfactory to me to have the assistant microscopists work without constant supervision, and I shall expect you, therefore, to remain with them and enforce order and attention to the work, and see that the work is properly performed.

The property of the Department used in the microscopical inspection should be under your immediate care, and you should see that it is not unnecessarily damaged or lost. I learn, for instance, from the inventory, that ten pairs of scissors and two sample boxes have recently disappeared or been lost. Your supervision of this work should be so rigid that property of this kind could not be removed or lost without its coming at once to your attention, and in that case you should report the matter to Dr. Ayer with a statement of who is the responsible party, and the substance of this report can then be embodied in Dr. Ayer's report to this Department.

I inclose with this, for your information, copy of an order which I have made in regard to the care of the Government property.

Very respectfully,

J. STERLING MORTON,
Secretary.

Dr. W. S. WHITE,
(Care Packers' National Bank),
South Omaha, Nebr.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., November 28, 1896.

DEAR SIR: I am in receipt of your letter of the 23d instant, and note your statement that you have not retained counsel to bring your case before the Civil Service Commission, and that having lived fifty years without going to law, that you think you can spend the remainder of your days without it. I think your decision is a wise one, particularly as Secretary Morton has demonstrated his desire to assist you by your appointment and retention in office until this time.

I presume you feel that you gave proper attention to your duties while you were in the employ of the Department, but it is well to remember that different people look at the same thing from different points of view. I may state frankly to you that when I visited South Omaha I was surprised to find you occupying the main office and conducting a private medical practice there, while the assistant microscopists were at work on another floor of the building, where you certainly could not give them the constant supervision which is required in such cases. Even if you visited the microscopical rooms as frequently as was necessary, this manner of conducting the business was calculated to cause criticism of your management, and lead to unfavorable conclusions as to the character of the inspection. It led to serious reflections being made in regard to yourself and to unfavorable comments in reference to the Secretary, although he and I, previous to my visit, were both entirely ignorant of these facts.

On my return I presented this matter to him, and my report led to the changes which were afterwards made and which you appeared to think were directed against you personally, although the object was simply to maintain the reputation of the administration of the inspection service at South Omaha. I have regretted that you considered it necessary to practice medicine while in the employ of the Department, and particularly that you should have an office in the same building with the bureau office and that you should give any time to such private practice during office hours. It always appeared to me that this was objectionable and would lead to reports of neglect of duty, no matter how faithful you might be in performing the duties which were intrusted to you.

While I am not in a position to know all of the details concerning your actions and the reports which reached the Secretary, I do know that he received reports

from friends, and perhaps others, which were of such a nature that he felt compelled to take the action which he did in the interest of public service; and considering the facts which I have already referred to, I could not be surprised at his receiving such reports, or at their being so numerous and so strong as to require attention at his hands.

Very respectfully,

Dr. W. S. WHITE,
South Omaha, Nebr.

D. E. SALMON,
Chief of Bureau.

SOUTH OMAHA, NEBR., *January 6, 1897.*

SIR: I herewith hand you my report and findings in the investigation at South Omaha on Dr. W. S. White and Mr. John Zeller, and hope the information will be satisfactory. I find it extremely difficult to get day and dates, as there has been no record that would give Dr. White's absences; and while I am satisfied as to the truthfulness of the reports as to Dr. White absenting himself from his office during working hours to attend to professional calls, I am unable to get dates as I would like, but I have done the best I could. The affidavits herewith submitted are not of as recent a date as I would like, as I have been unable to secure them. Yet they attest the fact that Dr. White always went when he was called; of this there is not the slightest doubt to my mind. I also inclose in this report the statement of R. A. Carpenter, city clerk, as to the births reported by Dr. White.

My investigation has been somewhat delayed on account of the severity of the weather. Hoping that the evidence taken will be sufficient, I herewith submit the same.

Very respectfully, yours,

Dr. D. E. SALMON,
Chief of Bureau, Washington, D. C.

EDWARD SHELDEN.

SOUTH OMAHA, NEBR., *November 27, 1896.*

STATEMENT OF DON C. AYER, INSPECTOR, SOUTH OMAHA, NEBR.

Q. Doctor, please state the position you hold under the Government at South Omaha, Nebr.—A. Chief inspector, Bureau of Animal Industry.

Q. How long have you held that position?—A. Since August 10, 1894.

Q. Was Dr. White chief microscopist when you took charge?—A. He was.

Q. How has he performed his duties?—A. Fairly well at times, and at other times with carelessness and neglect of duty.

Q. What do I understand you to mean by carelessness and neglect of duty?—A. Carelessness in his reports, which have been corrected many times, and neglect of duty by receiving professional visitors and making professional calls during working hours, and, after being ordered to desist, placed a card on his office door—"For Dr. White enquire up stairs," directing the public to the microscopical room for his own personal gain and to the detriment of the service.

Q. Doctor, in regard to Miss Mary Flynn and Mary A. Dalton, did you consider them competent assistant microscopists?—A. Not having had a personal supervision of their work, but from reliable information I will say that I consider them incompetent as assistant microscopists.

Dr. DON C. AYER.

Sworn to and subscribed in my presence this 28th day of November, A. D. 1896.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
South Omaha, Nebr., December 30, 1896.

Mr. EDWARD SHELDEN, *South Omaha, Nebr.*

SIR: I am unable to give date and day when Dr. White was away from his office during working hours. It is safe to say that he attended every call that he received. I am at the stock yards and abattoirs more than half of the time during the day, and he could come and go without my knowledge. He always gave the impression to the employees here that the influence he had with the Secretary of Agriculture was such that he could do as he pleased regardless of my orders. His conduct during the

summer and fall of 1894, up to the time of his discharge, was such as to prejudice good order and discipline very much to the detriment of the usefulness of the employees at this station. For proof of this I will refer to the post-mortem reports of abattoirs Nos. 5 and 14, which have increased in efficiency very materially since his discharge.

I received a letter on September 9 from G. M. Brumbaugh, acting chief, informing me that no one should be granted special privileges on account of any friendly relations supposed to exist between themselves and the Secretary of Agriculture. I therefore ordered Dr. White not to make any more professional visits and to receive no visitors, professionally, during working hours. After receiving the above order he placed a card on his office door, which is at the foot of the stairs leading to the microscopical room, which bore these words: "For Dr. White, inquire upstairs," and more or less people called on him at the microscopical room and at his private office. During the latter part of September Dr. A. D. Melvin was here and saw the card on the door of his office, and on October 2 Mr. Edward Sheldon saw the same sign. When Dr. White was aware of their presence, he would remove the card and place it back again when they went away. I called Dr. White's attention to the fact that he was not complying with the order given him. He then changed the card on the door to read "Walk in," and on his desk in the most conspicuous place was the card, "For Dr. White, inquire upstairs." Finally I told him that he must obey the order or I would report him to the Chief of the Bureau. He then removed the card from the desk in his office, but left the card, "Walk in," on his door.

Very respectfully,

DON C. AYER, *Inspector.*

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

SOUTH OMAHA, November 27, 1896.

STATEMENT OF MR. L. M. SCHIBSBY.

Q. Mr. Schibsbby, what position do you hold under the Government at South Omaha, Nebr.?—A. Tagger.

Q. How long have you been in the employment of the Government?—A. My commission is dated November 6, 1893, and I began work November 9, 1893.

Q. What particular duty are you assigned to as tagger?—A. One is looking after trichinæ meat, sealing cars, stamping, and all duties pertaining to a tagger.

Q. Have any mistakes or errors come under your observation in the discharge of your duties in reference to microscopical work?—A. Yes, quite a few.

Q. Please state them.—A. On September 4, 1896, I came to Dr. White's office and asked him what time I could get the numbers of the pieces of meat containing trichinæ. He replied, "Call at 11.30 a. m." I called at that time, when he informed me that they were not ready, but to call at 1 o'clock. I called at that time and Dr. White was absent from his office, and Miss Flynn gave me the trichinæ numbers, which proved to be incorrect, as she did not give me all the numbers. She gave me but six, when I should have been given eight. Two pieces of meat containing trichinæ were shipped as examined meat on account of error. This is one time, and I have more.

Q. How often did this happen that the assistant microscopists gave you the trichinæ numbers?—A. Several times from the girls.

L. SCHIBSBY.

Sworn to and subscribed in my presence this 28th day of November, 1896.

[SEAL.]

F. J. MORIARTY, *Notary Public.*

SOUTH OMAHA, NEBRASKA, November 27, 1896.

STATEMENT OF MRS. IDA E. BUSHNELL.

Q. Mrs. Bushnell, please state the position you hold under the Government.—A. Assistant microscopist, Bureau of Animal Industry, South Omaha, Nebr.

Q. How long have you been in the employment of the Government?—A. Received my appointment three years ago the 16th of last May.

Q. Who has been your chief during that time?—A. When I came into the office Dr. E. L. Siggins was in charge.

Q. Who next?—A. Dr. W. S. White

Q. Mrs. Bushnell, during Dr. White's time did he give his undivided attention to the Bureau of Animal Industry?—A. No, sir.

Q. Please state in what way he has neglected his duty.—A. He received professional calls from patients and left the office repeatedly to visit patients during office hours.

Q. How long would he be absent from his work while making these calls?—A. In my best judgment from fifteen minutes to two hours, and in several instances a half a day at a time.

Q. Who would be put in charge while he was absent?—A. Sometimes one and sometimes another.

Q. Mrs. Bushnell, in your judgment, were Miss Mary Flynn and Miss Mary A. Dalton competent assistant microscopists?—A. I consider Miss Mary Flynn the better worker of the two and both of them the poorest workers on the force.

Q. Was it the habit of Mr. John Zeller to call on Dr. White at the microscopical room during working hours?—A. Yes.

Q. What was the nature of his visits?—A. Seemingly to discuss politics, as they did it openly in the room.

Q. How long had he been in the habit of doing this?—A. At least four weeks before his removal.

IDA E. BUSHNELL.

Sworn to and subscribed in my presence this 28th day of November, 1896.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

NOVEMBER 27, 1896.

STATEMENT MADE BY LULU E. GIBSON.

Q. Miss Gibson, what position do you hold under the Government at South Omaha, Nebr.?—A. Assistant microscopist, Bureau of Animal Industry.

Q. How long have you been in the employment of the Government?—A. I was appointed December 27, 1892.

Q. Have you continued in the service since the above date?—A. No; I resigned my position on the 18th of last April, and was reappointed September 1, 1896.

Q. Has Dr. White given his undivided time and attention to the Bureau during office hours since you have been employed under him?—A. No, sir; he has not.

Q. Please state in what manner he has neglected his duty.—A. He would absent himself from the office.

Q. For what length of time?—A. From one hour to half a day at a time.

Q. Was it Dr. White's custom to receive callers in the microscopical room during business hours?—A. Yes; but would on some occasions invite them out in the hall and on others see them in the room?

Q. Miss Gibson, are you acquainted with Mr. John Zeller?—A. Yes, sir.

Q. Was it his practice to call on Dr. White during working hours?—A. Yes, sir; it was.

Q. What was the nature of his calls?—A. Judging from the conversation, it was to talk politics.

Q. Did the Doctor discuss matters openly with him in the room?—A. He did.

Q. How long a time did he continue this practice?—A. Should think a month before election and a week after.

Q. Miss Gibson, in your estimation, were Miss Mary Flynn and Miss Mary A. Dalton competent assistant microscopists?—A. Well, no; Dr. White found trichinae in the same samples which Miss Dalton had examined about one week before her dismissal.

Q. How about Miss Flynn?—A. Think her the best worker of the two.

LULU E. GIBSON.

Sworn to and subscribed in my presence this 28th day of November, 1896.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

SOUTH OMAHA, NEBR., November 27, 1896.

STATEMENT MADE BY MISS ETTA THOMPSON.

Q. Miss Thompson, please state what position you hold under the Government.—A. Assistant microscopist, Bureau of Animal Industry.

Q. How long have you held said position?—A. Four years; since November, 1892.

Q. Who has been your chief during that time?—A. Drs. Hewitson, Siggins, and White.

Q. During Dr. White's term of office has he given his undivided attention to the Bureau of Animal Industry during office hours?—A. No, sir; he has made professional calls.

Q. How often, in your judgment?—A. Should think it almost a daily occurrence.

Q. How long would he be absent from his duties at any one time while making calls?—A. Sometimes two or three hours and at other times not so long.

Q. What is the longest period that you can recall to mind that he absented himself from his duties?—A. I remember distinctly of his being absent one half day at one time.

Q. Who would he place in charge while he was making the professional calls?—A. No one in particular.

Q. Was it the practice of Mr. John Zeller to call on Dr. White at the microscopical room during working hours?—A. Yes.

Q. What was the nature of his call?—A. Seemingly to discuss politics, as they did it openly in the room.

Q. How long had Mr. Zeller been in the habit of doing this?—A. I think from four to five weeks.

Q. Miss Thompson, in reference to Miss Mary Flynn and Miss Mary A. Dalton, what have you to say as to their proficiency as assistant microscopists?—A. I considered Miss Dalton the poorest worker on the force, and Miss Flynn but little better.

ETTA THOMPSON.

Sworn to and subscribed in my presence this 28th day of November, 1896.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public*.

DECEMBER 28, 1896.

STATEMENT OF JACOB I. PAYNE.

Q. Where do you reside?—A. 3514 South Twenty-first street, Omaha, Nebr.

Q. How long have you resided in Omaha?—A. Three years.

Q. Do you know Dr. W. S. White?—A. Yes, sir.

Q. Did you ever employ him as your family physician?—A. Yes, sir.

Q. Is he at present your family physician?—A. No, sir.

Q. Is this bill attached Dr. White's bill for professional calls at your home; i. e., four office consultations and thirty-three day calls?—A. Yes, sir.

Q. Did he come at any time during the day when you sent for him?—A. He always came when he was sent for.

Q. This bill is correct as to the amount charged you for his professional visits?—A. Yes, sir.

JACOB I. PAYNE.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public*.

SOUTH OMAHA, *October 1, 1895.*

Mr. J. I. Payne, to W. S. White, physician and surgeon, Dr., for services rendered to date.

4 office consultations, 33 day calls, night calls (obstetrics)..... \$45.00

Discount 5.00

April 6, 1894 2.00

April 19, 1895 5.00

June 19, 1895 6.00

Milk, 1894 11.20

Total 29.20

Turkey 1.00

CASH.

Amount \$45.00

Credits 29.20

Balance 15.80

Turkey80

15.00

11.00

4.00

REMOVAL OF CERTAIN EMPLOYEES.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
December 28, 1896.

STATEMENT OF FRANK JELEN

- Q. What is your name?—A. Frank Jelen.
Q. Where do you reside?—A. 1701 South Fourteenth street, Omaha, Nebr.
Q. How long have you lived in Omaha?—A. Twenty years.
Q. Do you know Dr. W. S. White?—A. Yes, sir.
Q. Has Dr. White at any time been your family physician?—A. Yes, sir.
Q. Please state the different times he has made professional calls at your home.—
A. Once; when our baby was born.
Q. When was that?—A. September 12, 1895.
Q. At what time did you call for Dr. White?—A. At 7.30 a. m.
Q. Do you know how long Dr. White was at your residence?—A. Three or four hours. It was after 2 p. m. when he left the house.
Q. Did he charge you for his professional services?—A. Yes, sir.
Q. How much did he charge for his professional services on that date, September 12, 1895?—A. Fifteen dollars.
Q. Was the above date the only time you called Dr. White professionally?—A. I don't quite remember; yes. I did not have him but the one time.

FRANK JELEN.

Subscribed in my presence and sworn to before me this 6th January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

DECEMBER 28, 1896.

STATEMENT OF MR. JOSEPH BUTLER.

- Q. Mr. Butler, where do you reside?—A. 2215 Webster street, Omaha, Nebr.
Q. Do you know John Zeller?—A. Yes, sir.
Q. Did you attend the county central committee meeting at the time they selected delegates to the State convention?—A. Yes, sir.
Q. What time in the day was the meeting called?—A. Two o'clock, but it was 3 before they got down to work.
Q. Was Mr. Zeller there?—A. Yes, sir.
Q. How long was the committee in session?—A. Two hours or longer.
Q. Can you give me the date of this meeting?—A. Yes, sir. It was on April 11, 1895.
Q. How long does it take to go from South Omaha to Omaha?—A. About forty minutes.

JOSEPH BUTLER.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
December 28, 1896.

STATEMENT OF PHILIP SMITH.

- Q. Mr. Smith, where do you reside?—A. 1233 South Twenty-eighth street, Omaha, Nebr.
Q. How long have you lived in Omaha?—A. Fourteen years.
Q. Do you know Mr. John Zeller?—A. Yes, sir.
Q. Did you attend the county central committee meeting at the time they selected delegates for the State convention?—A. Yes, sir.
Q. Was Mr. Zeller there?—A. Yes, sir.
Q. At what time of day was the meeting called?—A. Three o'clock.
Q. Was this the time for the meeting in Omaha?—A. Yes, sir.
Q. How long does it take to go from South Omaha to Omaha?—A. Forty minutes to Farnam street.
Q. It takes the same length of time to return, does it not?—A. Yes, sir.
Q. Then a man would have to leave South Omaha at 2.10 to arrive in Omaha at 3 p. m.?—A. Yes, sir.

Q. How long would it take the committee to transact its business?—A. One to one and a half hours, I should judge.

Q. What was the date on which this committee meeting was called?—A. April 11, 1896.

PHILIP SMITH.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public*.

DECEMBER 31, 1896.

STATEMENT OF LULU E. GIBSON.

Q. Miss Gibson, where do you reside?—A. Twenty-eighth and G streets, South Omaha, Nebr.

Q. What time do the calls on this bill attached cover—from what date to what date?—A. From January 21, 1896, to May 30, 1896.

Q. Were these calls made as stated on the bill, i. e., nine day calls and one night call?—A. Yes, sir.

Q. Were these prescriptions charged to you by Howard Meyers, as per statement gotten by Dr. White?—A. Yes, sir.

LULU E. GIBSON.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public*.

SOUTH OMAHA, NEBR.

Miss Lou Gibson, in account with Howard Meyers, prescription druggist.

Jan. 21, 1896, 3 R White.....	\$1.35
May 24, '96, 2 R White.....	.85
May 24, '96, 1 R ref. White.....	.35
May 30, '96, 1 R ref. White.....	.50

SOUTH OMAHA, January 1, 1897.

Miss Lulu E. Gibson to W. S. White, physician and surgeon, Dr., for services rendered to date.

Office consultations, 9 day calls, 1 night call	\$15.00
Amount	15.00
Credits	2.00
Balance	13.00

DECEMBER 31, 1896.

STATEMENT OF W. K. JACOBS.

Q. Where do you reside?—A. 3016 Oak street, Omaha, Nebr.

Q. How long have you resided in Omaha?—A. Fifteen years.

Q. Do you know Mr. John Zeller?—A. Yes, sir.

Q. Did you attend the county central committee meeting at the time they selected delegates for the State convention?—A. Yes, sir.

Q. On what date was that?—A. Eleventh of April, 1896.

Q. Was Mr. Zeller there?—A. He was.

Q. At what time of day was this meeting called?—A. The meeting was set for 2 o'clock, but it was not called to order until 3.

Q. Was Mr. Zeller there at 2 p. m.?—A. I am not positive. He was there at 3.

Q. How long does it take to go from South Omaha to Omaha?—A. About forty minutes.

Q. How long did the meeting last on that date, April 11, 1896?—A. It lasted two hours, and possibly longer; but I know it was that long.

Q. Did you hold any office at this meeting?—A. Yes, sir; I was a member of the county central committee.

W. K. JACOBS.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public*.

REMOVAL OF CERTAIN EMPLOYEES.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
January 1, 1897.

STATEMENT OF DR. DON C. AYER.

Q. Dr. Ayer, where do you reside?—A. 1624 Howard street, Omaha, Nebr.

Q. What is your occupation?—A. Inspector in charge, Bureau of Animal Industry, South Omaha, Nebr.

Q. Did you excuse Mr. John Zeller from his duties as tagger on April 11, 1896?—A. No, sir.

Q. Has any other person connected with the Bureau of Animal Industry the authority to excuse employees from duty?—A. No, sir.

DR. DON C. AYER.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
January 1, 1897.

STATEMENT OF CHARLES CONOYER.

Q. Mr. Conoyer, where do you reside?—A. 724 Pierce street, Omaha, Nebr.

Q. What is your occupation?—A. Clerk in the Bureau of Animal Industry, South Omaha, Nebr.

Q. What is the nature of your work?—A. Clerking, issuing supplies, keeping time reports, keeping books, receiving supplies, and the reports each day after the work is finished at the different abattoirs.

Q. On April 11, 1896, what time did Mr. Zeller report in the morning for duty?—A. At 8 o'clock a. m.

Q. At what hour does your record show that he left his work on April 11, 1896?—A. At 2 p. m.

Q. At what time did Dr. Schirmer report as being through his post-mortem work on that day?—A. At 3.15 p. m., and the stock examiner at 3.30 p. m., and Mr. Burkard and Mr. Kostal, taggers, at 4.30 p. m.

Q. Mr. Conoyer, was Mr. John Zeller excused from his duties on April 11, 1896?—A. Not to my knowledge.

Q. You would know it, as timekeeper, if he had been excused on April 11, 1896, would you not?—A. Yes, Dr. Ayer notifies me when he excuses the men.

Q. What does John Zeller's report show for that day?—A. His report shows that he was through tagging at 2 o'clock, while the inspectors' and stock examiners' reports show they were killing cattle and sheep after 3 o'clock at abattoir No. 14, where Mr. Zeller was working.

CHARLES CONOYER.

Subscribed in my presence and sworn to before me this 6th of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY,
Notary Public.

DAILY TIME REPORT.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
April 11, 1896.

No. live animals tagged.....
No. carcasses tagged.....
No. beef quarters tagged.....
No. packages stamped.....
No. ante-mortems:
 Cattle.....
 Hogs.....
 Sheep.....
 Calves.....

No. post-mortems:	
Cattle	265
Hogs	
Sheep	71
Calves	2
No. pork samples taken	
Special work	
No. hours employed, 8 a. m. to 3.30 p. m.	

GEORGE SEAY, *Stock Ex.*

DAILY TIME REPORT.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
April 11, 1896.

No. live animals tagged	
No. carcasses tagged	
No. beef quarters tagged	
No. packages stamped	
No. ante-mortems:	
Cattle	265
Hogs	1,069
Sheep	71
Calves	2
No. post-mortems:	
Cattle	
Hogs	
Sheep	
Calves	
No. pork samples taken	
Special work	
Supervising work	
No. hours employed, 8 to 3.15.	

E. W. SCHIRMER, *Inspector.*

DAILY TIME REPORT.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
April 11, 1896.

No. live animals tagged, calves	
No. carcasses tagged, sheep	18
No. beef quarters tagged	258
No. packages stamped	
No. ante-mortems, cattle, hogs, sheep, calves	Nos. 8107515 to 8108619
No. post-mortems:	
Cattle	
Hogs	
Sheep	
Calves	
No. pork samples taken	
Special work	
No. hours employed, 8 a. m. to 2 p. m.	

JOHN ZELLER.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
January 5, 1897.

STATEMENT OF DR. E. W. SCHIRMER.

Q. Doctor, was this time slip for April 11, 1896?—A. Yes, sir; that is my signature.

Q. How long would it take to tag the carcasses of animals after you are through with your post-mortem examinations?—A. About half an hour.

Q. Is it not impossible to tag carcasses before they are killed?—A. Yes, sir.

E. W. SCHIRMER, *Inspector*.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public*.

SOUTH OMAHA, NEBR., *January 5, 1897.*

STATEMENT OF HENRY BEAL.

Q. Where do you reside?—A. Twenty-fifth and Wyman streets, South Omaha, Nebr.

Q. How long have you lived in South Omaha?—A. Ten years.

Q. Do you know Dr. W. S. White?—A. Yes, sir.

Q. Has he at any time been your family physician?—A. Yes, sir; he waited on my wife when our baby was born.

Q. What date was that?—A. December, 1895.

Q. Has he made any other professional visits at your residence?—A. Yes. On last August I brought my boy to his office.

Q. What did the Doctor charge you for his professional services when your wife was confined?—A. Fifteen dollars.

HENRY BEAL.

Subscribed and sworn to in my presence this 5th day of January, 1897.

[SEAL.]

F. J. MORIARTY, *Notary Public*.

JANUARY 6, 1897.

STATEMENT OF CHARLES CONOYER.

Q. Mr. Conoyer, where do you reside?—A. 724 Pierce street, Omaha, Nebr.

Q. What is your occupation?—A. Clerk in the Bureau of Animal Industry, South Omaha, Nebr.

Q. What is the nature of your work?—A. Issuing supplies, keeping time, keeping books, receiving supplies and reports after each day's work is finished.

Q. What time do you arrive at your office in the morning?—A. I am at the office at 7.15 a. m.

Q. What time do you leave the office?—A. After 5.30 p. m.

Q. Do you know Dr. W. S. White?—A. Yes, sir.

Q. What position did Dr. White hold in the Bureau of Animal Industry at South Omaha?—A. Chief microscopist.

Q. Where was Dr. White's office?—A. His private office was connected with the main office.

Q. Do you know of Dr. White's attending to any private business during office hours?—A. Whenever there was a telephone call, he invariably took his private case and left the office, and when patients called on him at the office he always attended them there.

CHARLES CONOYER.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public*.

CITY OF SOUTH OMAHA,
South Omaha, Neb, ———. ———.

Dec., 1895	1	1896.	June	0
			July	0
Jan	1		Aug.	0
Feb	1		Sept	1
March	1		Oct	0
April	0		Nov	0
May	0		Dec	

Beal, Henry, 25 and Wyman; Laidlow, A., 27 and H; Miller, R. D., 32 and I; Tangeman, H., 22 and N; Tangeman, 24 and H.

Births as reported by Dr. W. S. White to city clerk to Dec. 1, 1896.

[SEAL.]

R. A. CARPENTER, *City Clerk*.

STATEMENT OF DAVID RUSH.

Q. Mr. Rush, where do you reside?—A. Fiftieth and Webster streets, Omaha, Nebr.

Q. What is your occupation?—A. Clerk in the Bureau of Animal Industry, South Omaha, Nebr.

Q. What time do you arrive at your office in the morning?—A. Eight to 8.30.

Q. Do you know Dr. W. S. White?—A. Yes, sir.

Q. What position did Dr. W. S. White hold in the Bureau of Animal Industry at South Omaha?—A. Chief microscopist.

Q. Where was Dr. White's office?—A. His private office connected with the main office.

Q. Do you know of Dr. White attending to any private business during office hours?—A. Yes; whenever there was a call he invariably took his private case and left the office, and whenever patients called on him at the office he attended to them there.

DAVID RUSH.

Subscribed in my presence and sworn to before me this 6th day of January, 1897.

[SEAL.]

LAWR. M. SCHIBSBY, *Notary Public.*

O

JUDGMENTS RENDERED AGAINST THE UNITED STATES.

FEBRUARY 26, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ATTORNEY-GENERAL, TRANSMITTING, IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 24, 1897, A LIST OF ALL JUDGMENTS RENDERED AGAINST THE UNITED STATES BY THE CIRCUIT AND DISTRICT COURTS OF THE UNITED STATES WHICH REQUIRE AN APPROPRIATION FOR THEIR PAYMENT AND WHICH HAVE NOT HERETOFORE BEEN REPORTED.

DEPARTMENT OF JUSTICE,
Washington, D. C., February 25, 1897.

SIR: In compliance with a resolution of the Senate, of date February 24, 1897, I have the honor to transmit herewith a list of all judgments rendered against the United States by the circuit and district courts of the United States, under section 11 of the act of March 3, 1887 (24 Stat. L., p. 505, chap. 359), entitled "An act to provide for the bringing of suits against the Government of the United States," which require an appropriation for their payment and which have not heretofore been reported to Congress.

Very respectfully,

JUDSON HARMON,
Attorney-General.

The PRESIDENT OF THE SENATE.

List of judgments.

Name.	Judgment.	Costs.	Date of judgment.	Exhibits.
Frank C. Ferguson.....	\$53.25	.....	Dec. 6, 1894	1
George W. Jolly.....	1,179.23	.....	Jan. 23, 1897	2
Caroline Rickets.....	250.00	\$39.86	Feb. 3, 1897	3
Total	1,482.48	39.86		

EXHIBIT No. 1.

[Frank C. Ferguson v. The United States, No. 1102.]

It is hereby ordered, adjudged, and decreed, and this court, by virtue of the power and authority therein invested, doth hereby order, adjudge, and decree that said Frank C. Ferguson have and recover of the said defendant the sum of \$53.25 and the taxable costs in this suit.

NORTHERN DISTRICT OF NEW YORK, December 6, 1894.

(NOTE.—This case was taken on appeal by the Government to the circuit court of appeals, and the judgment therein affirmed January 13, 1897.)

2 JUDGMENTS RENDERED AGAINST THE UNITED STATES.

EXHIBIT No. 2.

[George W. Jolly v. The United States, No. 1208.]

It is now ordered and adjudged that the plaintiff, George W. Jolly, recover of the defendant, the United States of America, the sum of \$1,179.23.

JNO. W. BARR, *Judge*.

DISTRICT OF KENTUCKY, *January 23, 1897.*

EXHIBIT No. 3.

[Caroline Rickets et ux. v. The United States, No. 1212.]

It is therefore ordered, adjudged, and decreed that petitioners recover of the United State \$250 and all the costs of the cause, the court being of opinion that this is a proper case to adjudge costs in favor of petitioner.

Costs, \$39.86.

EASTERN DISTRICT OF TENNESSEE, *February 13, 1897.*

○

EVILS OF THE PRESENT SYSTEM OF PROTECTION.

FEBRUARY 26, 1897.—Referred to the Committee on Finance and ordered to be printed.

Mr. PERKINS presented the following

MEMORIAL OF DAVID LUBIN, OF SACRAMENTO, CAL., ON BEHALF OF THE STATE GRANGES OF CALIFORNIA, OREGON, ILLINOIS, WASHINGTON, MISSOURI, VIRGINIA, AND PENNSYLVANIA, SETTING FORTH CERTAIN EVILS OF THE PRESENT SYSTEM OF PROTECTION AND SUGGESTING MODIFICATIONS.

An historical review of the protective system in the United States will show that originally protection was intended as a means in aiding the establishment of manufactures, and was intended as a temporary measure. At this time the idea has taken a new turn—a wider range. It is not intended merely as a temporary aid for the upbuilding of manufacture, but as a permanent means for the protection of American capital and labor against the competition of that from foreign countries. As our protection system is, however, limited to a tariff on imports, it necessarily leaves unprotected the staples of agriculture, because a great portion of these are exports, and it is a well-known fact that, while manufactures are sold at local prices—higher in one country than in another—on the other hand the entire product of the staples of agriculture, whenever there is a surplus, is sold at international prices. Selling the surplus, as we do, at international prices compels us to sell the greater quantity for home use at the same price, for the export and home price is always the same.

We can thus see that there can be no direct protection to the staples of agriculture so long as a portion of these are exports. Some protectionists deny this, but they have neither fact nor logic to substantiate their denial. Other protectionists frankly admit it to be true but claim indirect protection by reason of an enhanced wage rate which protection affords to manufacture.

A careful analysis of this view will show that it is not alone useless as a protective measure to the American farmers, but it is besides, in the event of its operation, an injury; for if prices are indirectly enhanced, it is the world's prices which are thus enhanced; and any protective system in our country which tends to enhance the price of agricultural staples in Argentina, Russia, India, North Africa, and other cheap land and labor countries must tend to the expansion of production in those countries to the detriment of production of the same products in our own country. We must therefore conclude that protection limited to a tariff on imports is no benefit, directly or indirectly, to the American farmer. Some protectionists even go so far as to admit this conclusion, and regret that a tariff on imports can not protect the staples of

agriculture; but, say they, is that any reason why we should not protect manufacture, if that protection can be had by a tariff on imports?

It is certainly a wrong for the Government to confer a benefit upon one body of its citizens only; but a one-sided protection system is more than a wrong, it is an injury. For, to protect one industry and to leave the other industry unprotected is not merely to bestow a privilege upon one but it is, besides, heaping a burden upon the other. For if the unprotected must sell its products at home and abroad at the world's free-trade prices and be compelled to pay the enhanced prices which protection affords the protected industries, it must necessarily pay for the costs of the protection system.

There could have been no serious objection to such a system at a time when it was intended as an aid to the upbuilding of manufacture; at a time when agriculture was rich and strong in world advantages, in its advantages of cheap land and exclusive use of machinery; but to day these advantages are gone and are possessed by the cheap land and labor countries of the world. It will be shown further on that a continuation of a perpetual system of protection, which in its operation leaves the staples of agriculture unprotected, must result in the decay and destruction of the Republic.

Let us briefly review the opinions of the early statesmen on the protection system, in so far as it affected agriculture, at a time when protection was demanded as a temporary measure.

Albert Gallatin, in a memorial dated 1831, says:

A Government which acknowledges the principle that no individual can be divested of his property for public purposes without indemnity can not claim the right to do that indirectly which it is forbidden to do directly. A system calculated to lay permanent burdens, greatly unequal and oppressive on some classes of society or on a particular section of country, would be radically unjust and altogether indefensible.

In a country which always raises what is the equivalent of 1,500,000 barrels of bread-stuffs beyond its own consumption, the price depends on the proportion between that supply and the foreign demand; and that demand will continue to govern the price of the home market, whatever may be the increase of the domestic consumption, so long as such an excess beyond the consumption shall continue to be raised.

As the greatest consumers, they, the agriculturists, must not only pay a greater share of the duties requisite to defray the necessary national expenditure, but they are compelled to pay the enhanced prices occasioned by the protecting system. That system can not be extended to them. They find in it no indemnity, no compensation for the injury which it inflicts upon them.

The true problem to be solved in the United States is not whether the people can govern themselves, of which not the slightest doubt can be entertained, but whether that government can be successfully applied to an extensive territory embracing interests which must occasionally be in collision with each other; whether majorities formed by combinations of sectional interests will be so governed by a sense of justice and a spirit of conciliation as not to oppress those parts of the country whose rights, though they may be in a minority, ought, nevertheless, to be respected.

Quotations from the report of the Secretary of the Treasury, Robert J. Walker, 1845, are as follows:

At least two-thirds of the taxes imposed by the present tariff are paid, not into the Treasury, but to the protected classes. The revenue for imports last year exceeded \$27,000,000. This in itself is a heavy tax; but the whole tax imposed upon the people by the present tariff is not less than \$81,000,000, of which \$27,000,000 is paid to the Government upon the imports, and \$54,000,000 to the protected classes in enhanced prices of similar domestic articles. This estimate is based upon the position that the duty is added to the price of the imports and also of its domestic rival. If the import is enhanced in price by the duty, so must be the domestic rival; for, being like articles, their price must be the same in the same market. The merchant advances in cash the duty on the import and adds the duty, with a profit, upon it and other charges, to the price, which must, therefore, be enhanced to that extent.

The tariff is a double benefit to the manufacturer, and a double loss to the farmer and planter; a benefit to the former in nearly a monopoly of the home market and in enhanced prices of their fabrics, and a loss to the latter in the payment of those high prices.

From the speech of Daniel Webster we quote as follows:

A particular interest is here burdened, not only for the benefit of another particular interest, but burdened also beyond that for the benefit of the Treasury.

It will thus be seen that former statesmen fully understood the operation of the protection system and its effects upon unprotected staples of agriculture. But as the measure was a temporary one, and at a time when conditions permitted the taxing of agriculture for the purpose of upbuilding manufactures, it could then, in spite of its seeming injustice, be deemed a measure of good policy. Now, however, when protection is demanded, not as a temporary, but as a permanent measure, such a policy is not only questionable but highly injurious.

The primary industry of this nation is agriculture. The earnings of agriculture were sufficient in times past to pay for the protection of manufacture and still come out with a margin ahead. That time has now gone. The monopoly of prices for agricultural staples which obtained when the United States was the almost exclusive user of agricultural machinery has gone.

On January 5 there was exhibited before the Ways and Means Committee about 20 pounds of catalogues and price lists of agricultural machinery factories in Europe. These European manufacturers of agricultural machinery now turn out annually thousands of reapers, mowers, headers, binders, harvesters, drills, engines, and gang plows. The greater portion of this product is for export to the cheap land and labor countries of the world. Thousands of these agricultural machines are now at work in different parts of the world on lands and by labor much cheaper than ours, producing the same agricultural staples we do, and determining the price at which capital and labor engaged in agricultural pursuits in the United States must accept.

Page 267 of the official report of the Russian department of agriculture, Volume I, says: "The United States of America made Russia acquainted with their machines and began to export them into the Empire only since 1876."

Volume II, page 183, shows that between 1881 and 1890, 183,121 tons of agricultural machinery were imported into Russia.

On page 268 is the following:

In 1864 there were only 64 mechanical establishments; in 1870 there were 112. Later on their number increased. Thus in 1871 there were 203; in 1879, 340; in 1885, 435; in 1892, 400. These data show that the building of farming machines developed as much as the different unfavorable conditions would permit.

From all this it may be seen that the catalogues and price lists of agricultural machinery by European manufacturers submitted here, though large in numbers, do not by any means represent all the European manufacturers. And what do these signify? They signify that the American farmer is now handicapped by competition permanent in character and destructive in the highest degree of his power to obtain former and higher prices for his products at home and abroad. What more natural at this juncture than to grant this great industry protection, and if not protection, then the removal of destructive burdens of a one-sided protection system.

Some protectionists when presented with this view willingly assent to the proposition and say that agriculture ought certainly to be protected, but when asked how this should be done, they have but one uniform answer, that it be done by a tariff on imports.

In the face of the fact that a tariff on imports is no protection to the staples of agriculture so long as these are exports, and in the face of the fact that this has been repeatedly made known to these protectionists,

their sincerity may be questioned as belonging to that order indicated in the song, "Hang your clothes on a hickory limb, but don't go near the water."

Protection can be had for the staples of agriculture, but not by a tariff on imports. It can be had by a bounty on exports, which was clearly pointed out by Alexander Hamilton when he was Secretary of the Treasury in 1790:

As often as a duty upon foreign articles makes an addition to its price, it causes an extra expense to the community for the benefit of the domestic manufacturers; a bounty does no more.

The true way to conciliate these two interests (agriculture and manufacture) is to pay a duty on foreign manufactures of the material the growth of which is desired to be encouraged, and to apply the produce of that duty by way of bounty.

There is a degree of prejudice against bounties from an appearance of giving away the public money without an immediate consideration and from the supposition that they serve to enrich particular classes at the expense of the community; but neither of these sources of dislike will bear a serious examination.

And this is theoretically assented to by Henry Clay in his speech before the House of Representatives in 1824, as follows:

If the promotion of those interests would not injuriously affect any other section, then everything should be done for them which would be done if it formed a distinct government. If they come into absolute collision with the interests of another section, a reconciliation, if possible, should be attempted by mutual concession, so as to avoid a sacrifice of the prosperity of either to that of the other. In such a case all should not be done for one, which would be done if it were separated and independent, but something; and in devising the measure the good of each part and of the whole should be carefully consulted. This is the only mode by which we can preserve, in full vigor, the harmony of the whole Union.

And Daniel Webster, before the House of Representatives in 1824, says as follows:

Sir, that is the truest American policy which shall most usefully employ American capital and American labor, and best sustain the whole population. With me it is a fundamental axiom; it is interwoven with all my opinions that the great interests of the country are united and inseparable; that agriculture, commerce, and manufactures will prosper together or languish together, and that all legislation is dangerous which proposes to benefit one of these without looking to consequences which may fall on the others.

It is true that a number of agricultural representatives have appeared before the Ways and Means Committee asking for an increase in the tariff on certain products of agriculture. Prominent among these were the wool men, who desire by protection to increase the price of wool. What benefit would this be to the producer of wheat, cotton, tobacco, and hops but to make higher the price of the things made from wool and thus increase the burden. There is no more right in equity to protect wool than there is to protect wheat or cotton. Up to within recent times a large body of farmers, mainly in the East, producers of the non-staples of agriculture, looked with disfavor upon this proposition, believing it to be a means of benefit limited in its scope only to the producer of staples and which would fall as an indirect tax upon the producers of nonstaples of agriculture. Since then there has been a change of opinion.

The producers of nonstaples are finding out by a sad and costly experience that the condition which brings the production of the staples of agriculture at or below the profit point means a curtailment in the area of cultivation of staples and a great increase in the production of the nonstaples and their consequent decrease in price.

Professor Sering, of Berlin, pointed out that this was the principal cause of distress among the farmers of Germany, and how this law operates

in the United States is evident from the following examples which should be heeded by all farmers producing the nonstaples.

The Year Book, United States Department of Agriculture, for 1895, page 531, contains the following object lesson:

In 1894 there was raised 170,787,338 bushels of potatoes, which brought \$91,526,787; in 1895 there was raised 297,237,370 bushels of potatoes and which only brought \$78,984,901.

It will thus be seen that so long as the world's price of the staples of agriculture keep on declining or remain at an unprofitable margin line, then so long is it impossible to derive any benefit whatever from a tariff on imports of nonstaples. It is true that a protective tariff on the nonstaples may keep out European or Canadian nonstaples, but it is rendered absolutely inoperative by the increased competition to the East by the increased production of the nonstaples of the West and South, thus bringing all agricultural productions, whether of the staples or of the nonstaples, down to or below the profit point.

Such farmers as are not aware of the cause, who are not aware of the new economic world condition operating upon them, are still waiting for conditions to better themselves. And so are many protectionists in manufacturing centers waiting. They have some vague hope that things will right themselves of their own accord, that something will happen to put things straight, that commerce will regulate itself.

Under this head Henry Clay says the following:

Commerce will regulate itself! Yes, and the extravagance of a spendthrift heir who squanders the rich patrimony which has descended to him will regulate itself ultimately. But it will be a regulation which will exhibit him in the end safely confined within the walls of a jail. Commerce will regulate itself! But is it not the duty of wise Governments to watch its course, and beforehand to provide against even distant evils, by prudent legislation stimulating the industry of their own people and checking the policy of foreign powers as it operates upon them?

If things are to regulate themselves, and this without injustice, then such regulation may only be had by free trade. If protection is to be a factor in regulating, then that protection should be just and equitable; not a protection for manufacture at the expense of agriculture, but for the protection of American agriculture and manufacture against foreign manufacture and agriculture, and if one is to be protected by a tariff on imports, the other must be by a bounty on exports.

That this demand is not unjust or impracticable can be shown by the protection laws of other countries. There is not a progressive country in Europe which protects manufacture at the expense of agriculture. No, not one. In Hungary and France the exportation of flour, as well as the home market for the same, is protected by the export bounties in the form of drawbacks. Germany, France, Austria, and Russia pay out millions of dollars annually in the form of export bounties on sugar. The United States is the only progressive country in the world which protects manufacture at the expense of agriculture. A continuation of this policy at a time when the world's price of agricultural staples is now being fixed by the production of the cheap land and labor countries, and a continuation of protection in the United States, limited to a tariff on imports, and which can only protect manufacture at the expense of agriculture—such a continuation must tend toward the destruction of American agriculture and to the injury of the Republic.

Equity therefore demands protection for agriculture so long as protection is given to manufacture. Not a kind of protection in name only, but one in fact; a kind which will enhance the price of agriculture within the United States in its home market as surely as the

protective tariff enhances the price in the home market of American manufacture. Nothing short of this will be equity, will be justice.

An appeal to justice, however, is not as readily assented to, as a rule, as one to expediency. The conservative protectionists of the country, while they may admit the justice of this proposition to themselves are loth to advocate it, deeming it as out of their province. It is not nearly so much out of their province, however, as they believe it to be. The farmers of the nation, if they can not find relief on the lines of equity and justice, may seek it in other avenues and in unforeseen methods, which in their consequences may react with disaster upon the body politic. It took all the force and power of the two great national parties in the last campaign to guide the political outcome to its present issue. It is not always possible to unite these two parties upon one issue, and it is safer to trust to justice and equity in a free government than to trust to the possible combination of contending parties. Therefore it is not only just and equitable to give agriculture the same measure of protection which is accorded to manufacture, but it is highly expedient that this should be done.

Thoughtful farmers are at last beginning to comprehend the present peculiar condition of American agriculture.

On the one hand it is evident that there is to be a continuation of the protective system. This is made manifest by the character of the men elected for the coming Administration, by the preparation of the new tariff bill, and by the tendency of the general prevailing opinion on the subject.

On the other hand, the accelerated use of agricultural machinery in the cheap land and labor countries of the world must tend toward the minimum world's price for agricultural staples.

The area under cultivation in the cheap land and labor countries, while large, has by no means reached its limit; on the contrary, it has just begun. As an example, but a few provinces in Argentina are at present under cultivation, but the extent of Argentina is as great as 14 Nebraskas side by side, or about the same as that of all the Southern States.

Mr. William Turcke, the director of the Eckert Agricultural Machinery Factory, of Berlin, Germany, spends much of his time in Russia, in the disposition of agricultural machinery there. He stated at a conference in Berlin that vast tracts in southern as well as in eastern Russia, even beyond the Urals, are now under cultivation which formerly were uncultivated.

Volume V, from the Russian ministry of finance, the department of trade and manufactures, of 1893, has this to say of Siberia and the Siberian railway:

The great Siberian railway, intersecting the whole of Siberia for a distance of 7,112 versts, embraces a very wide zone, which can not be taken at less than 100 versts on either side of the line, or about 1,500,000 square versts. This enormous area, which exceeds the whole extent of central Europe, Germany, Austria-Hungary, Holland, Belgium, and Denmark, lies in the mean geographical latitudes, and as regards climate and soil possesses all the qualities favorable to the development of agriculture, rural economy, and the industries connected with them.

It will be evident from all this that we are confronted by a condition which must receive most serious consideration, and which is not to be remedied by merely raising or maintaining the protective tariff. The remedy at this time is not in a protective system when that protective system is limited to a tariff on imports. The time has come when protection must be effectual for agriculture if it is to be effectual for manufacture. If it can not be made effectual for agriculture there should

then be no protection for manufacture. To persist in the old-line policy under the new condition which has arisen would be to await certain destruction. To rail and scoff at this proposition may satisfy the vanity of partisans, but so long as their raillery and scoffing can not remove the conditions it is of no value as an economic factor.

Objections have been urged against the export-bounty proposition on the ground of its impracticability, but not a single one of these objections are valid. Historic evidences and undoubted authority have been submitted, showing that an export bounty is just as effective as a means of protection for agriculture as is that for manufacture by a tariff on imports.

The remedy for the present inequality in protection is in the enactment of the Johnson bill, a measure for the protection in the home market of the staples of agriculture, and also for the protection of the American merchant marine in the foreign trade, and which reads as follows:

[H. R. 2626, Fifty-fourth Congress, first session.]

A BILL for the protection of agricultural staples and American ships in the foreign trade by authorizing the payment of bounties on exports of agricultural products of the United States, conditioned on their carriage in American or foreign vessels.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on the passage of this act, and after the lapse of fifteen months, there shall be paid, out of any moneys in the Treasury of the United States not otherwise appropriated, to any exporter of wheat or wheat flour; rye or rye flour; corn, ground or unground; cotton, hops, or tobacco, produced wholly in the United States and exported by sea from any port in the United States to any port of a foreign nation, certain sums, to wit: Ten cents per bushel on wheat; fifty cents per barrel on wheat flour; ten cents per bushel on rye; fifty cents per barrel on rye flour; five cents per bushel on corn; seven cents per cental on corn, ground; one cent per pound on cotton; two cents per pound on hops; two cents per pound on tobacco.

SEC. 2. That if any article named in section one of this act shall be exported in American vessels, the corresponding bounty on such export as designated in said section shall be increased by ten per centum over the sum therein provided.

SEC. 3. That all payments of bounty under this act shall be made upon negotiable vouchers, payable in thirty days from date, issued by the collector of customs at the port of clearances and directed to the Treasurer of the United States; and the Secretary of the Treasury is hereby charged with making and enforcing the regulations necessary for the protection of the Government in administering this law.

SEC. 4. That the President of the United States is hereby directed to notify all foreign nations of the desire of this Government to abrogate any treaty provision in contravention with this act.

It would seem that the shipowners and shipbuilders of the Atlantic Coast are opposed to the above measure, and propose instead to have enacted a law which shall give them much more protection income than is possible by the adoption of the above section, and seem to be united in an effort for the passage of what is known as the Elkins bill.

This bill lays a horizontal tax of 10 per cent more upon dutiable imports and a 10 per cent ad valorem tax upon undutiable imports if brought here in foreign ships, from which taxes imports in American ships will be exempt.

At first thought it would seem that the Elkins bill is a wise measure for the restoration of the American merchant marine, but a more careful consideration of it will show that it is neither wise nor just.

It is not wise, because it is a measure calculated to engender retaliation, and that chiefly by England.

Its advocates urge its adoption chiefly on the ground that it had at one time, in the early history of this nation, been in operation. They seem to forget that the reason why it was adopted was because England at that time discriminated against our ships. They also seem to forget that we repealed this discriminating law just as soon as England did.

As England does not now discriminate against our ships we have no reason on that score to discriminate against her. If we should

discriminate against her now would she not be likely to revive discrimination against us?

Jefferson, in advocacy of this measure in 1793, said: "Where a nation imposes high duties on our productions or prohibits them altogether it may be proper for us to do the same by them." Does England impose a high duty on our productions? Does she impose any duty at all? Would Jefferson have advocated a discriminating duty against England at the time when he did were our present conditions existing in his time? The following figures show the total exports for the past five years and the proportion exported to Great Britain:

Year.	Total exports.	To Great Britain.	Year.	Total exports.	To Great Britain.
1892	\$1, 036, 278, 148	\$499, 315, 332	1895	\$807, 538, 165	\$387, 125, 458
1893	847, 665, 194	421, 134, 551	1896	882, 606, 938	505, 741, 339
1894	892, 140, 572	431, 059, 267			

It will be seen that about one-half our total exports are to Great Britain and that three-fourths of these are in the staples of agriculture. If England should retaliate who would thereby receive the greater injury? Would it not be the American farmer? Most surely. Nor would England be the only country who would be likely to retaliate. That it is desirable to build up and foster the American merchant marine in the foreign trade there can be no question; but that it is desirable to do this at the expense of the American farmer is questionable.

Henry Clay, in his speech in the House of Representatives March 30, 1824, in referring to the shipping industry, said:

This great interest deserves every encouragement consistent with the paramount interest of agriculture. In the order of nature it is secondary to both agriculture and manufactures. Its business is the transportation of the production of these two superior branches of industry. It can not, therefore, be expected that they shall be molded or sacrificed to suit its purposes, but, on the contrary, navigation must accommodate itself to the actual state of agriculture and manufactures.

In substance, Mr. Charles H. Cramp, a leading shipbuilder of Philadelphia, expressed the same idea when he said at a public meeting of shipbuilders and shipowners:

I think that when we (the shipbuilders and shipowners) went to Congress and asked for a bounty for ourselves we committed a grave error, and I am going to do what I can to repair it. There is not any mistake, gentlemen, that the foundation of everything that is good among us, the foundation of morality itself, and everything that is good in this country, is due to agriculture.

Now, the difference between Mr. Clay and Mr. Cramp seems to be in this, that Mr. Clay was a great statesman and Mr. Cramp is a great shipbuilder. Mr. Clay, having once taken a position that any measure calculated for the upbuilding of shipping at the expense of agriculture was an unstatesmanlike measure, he continued to adhere persistently in the direction of right statesmanship. Now, while it is true that Mr. Cramp could key himself up to this pitch of true statesmanship, it is likewise true that his shipbuilding instincts soon overcame this tendency, for he seems now to be among the foremost supporters of the Elkins bill, which bill proposes to heap many advantages on shipbuilders and shipowners at the expense of the American farmer.

Seaboard, the official organ of the shipbuilders, in its issue of December 3, 1896, says of the Elkins bill:

The first effect of such a law, figuring on the basis of the imports of 1895, would be to increase the revenue by about \$60,000,000.

This \$60,000,000 would, of course, come from the increased duty of the 10 per cent additional laid upon imports, about one-half of which would be collected protectively, and which would fall as an unjust burden upon the producers of agricultural staples, and which the shipbuilders do not at all deny, but which they admitted freely, unanimously, and without reservation at a meeting in the Maritime Exchange, Philadelphia, July 30, 1895.

Apart from what has already been said, it must also be considered that the Elkins bill, while calculated to protect American shipping in the foreign trade, can only do so in some manner which will raise the income of shipbuilders and shipowners, and this by an increase in the present price for freight. An increase in the price of freight, especially of ocean carriage to foreign countries, necessarily means a decrease in the price of exports of agricultural staples, and as the export and home price for these staples are the same, it must necessarily follow that any increase in the rate of ocean carriage must necessarily and correspondingly decrease the home price of all agricultural staples.

Thus it will be seen that the Elkins bill is unjust and calculated to seriously injure the agricultural interests of this nation. For this reason the farmers of this country must oppose this measure, but the bill we are now considering offers no such objections. On the contrary, it proposes to protect the staples of agriculture in the only way by which they can be protected, and this only so long as manufactures are protected. It also proposes to protect American ships in the foreign trade, and while it does not propose to do this to the radical degree proposed by the shipbuilders, it yet proposes to do so to an extent sufficient for the upbuilding and maintenance of the merchant marine.

We therefore ask the enactment of the Johnson bill into a law, believing that its enactment would serve not alone the best interest of agriculture, but the best interests of the Republic. In the event of the failure of its enactment there is left for the American farmer but one alternative in obtaining that measure of justice and equity in protection which protection should give them, and that alternative is in absolute and unrestricted free trade.

Herewith is given a statement illustrating the operation of protection by an export bounty, giving a partial list of the products to be protected, the cost of the same to the Government, and the amount of protection to the American farmer, based upon the production of 1895 as taken from the Statistical Abstract of the United States:

Wheat.

Exports of wheat for 1896.....	bushels..	126, 443, 968
10 cents per bushel, Government export bounty.....		\$12, 644, 396. 80
Production of wheat for 1896.....	bushels..	467, 102, 947
10 cents enhancement per bushel, or actual protection by the export-bounty system.....		\$46, 710, 294. 70

Cotton.

Exports of cotton for 1896.....	pounds..	2, 335, 226, 385
1 cent per pound, Government export bounty.....		\$23, 352, 263. 85
Production of cotton, 1896.....	pounds..	3, 592, 416, 851
1 cent per pound enhancement, or actual protection by the export-bounty system.....		\$35, 924, 168. 51

Corn.

Exports of corn for 1896.....	bushels..	101, 100, 375
5 cents per bushel, Government export bounty.....		\$5, 055, 018. 75
Production of corn, 1896.....	bushels..	1, 155, 138, 580
5 cents enhancement per bushel, or actual protection by the export-bounty system.....		\$57, 556, 929. 00

RECAPITULATION.

Cost to the Government for the protection by an export bounty on wheat, cotton, and corn.

Wheat.....	\$12, 644, 396. 80
Cotton.....	23, 352, 263. 85
Corn.....	5, 055, 018. 15
Total.....	41, 051, 679. 40

Enhancement or protection by an export bounty to the producers of wheat, cotton, and corn.

Wheat.....	\$46, 710, 294. 70
Cotton.....	35, 924, 168. 51
Corn.....	57, 556, 929. 00

Total enhancement or actual protection in the home market to the American producers against the competition in the home market of the free-trade prices by the pauper-labor countries of the world..... 140, 191, 392. 21

It is estimated that the additional amount necessary for the protection of shipping hops, tobacco, dairy products, etc., will be about \$9,000,000; this, together with the \$41,000,000 above shown, will make a total of \$50,000,000 per annum as the cost to the Government for protection to agriculture by an export bounty.

It has been repeatedly asked where the money is to come from to pay this export bounty, especially at a time when the National Treasury has no surplus. It is contended by the advocates of this proposition that so far as this bounty is concerned there is ample, and more than sufficient available. The money which is now collected as an incident of protection to manufactures justly and equitably belongs to the farmers of the nation, who pay for protection and receive none.

This was clearly seen to be the case by that able and honest protectionist Alexander Hamilton as well as by Henry Clay, quotations from whose speeches are given in this memorial. The abolition of the protective tariff as a means for the protection of manufacture would do away with the claims for protection by an export bounty, but so long as moneys are received on imports for the protection of manufactures, these moneys or a portion thereof, should be paid out primarily, not for Government expenses, but for export bounties to protect the staples of agriculture, and thus equalize protection by extending it to agriculture as well as to manufactures, protecting thereby the farmers and manufacturers in the United States against the farmers and manufacturers of foreign countries, and thus do away with the injustice of the present system which protects the manufacturer at the expense of the farmer.

If, after what has now been said, the question is still asked, Where will we get additional revenue for Government expenses, the answer is clear. The report of the Treasury Department, Statistics of Finance and Commerce No. 2, for 1896 and 1897, shows the following: On page 252 it will be seen that for the past five years there was entered 54 per cent of merchandise on the free list and 46 per cent was dutiable. If the Government received from \$150,000,000 to \$200,000,000 a year on the 46 per cent, why can it not collect as much as it requires on the 54 per cent now on the free list?

Respectfully submitted by—

DAVID LUBIN,
Sacramento, Cal.

(For the State Granges of California, Oregon, Illinois, Washington, Missouri, Virginia, and Pennsylvania.)

HUGH T. TAGGART.

FEBRUARY 26, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY, TRANSMITTING A COPY OF A COMMUNICATION FROM THE ATTORNEY-GENERAL, REQUESTING THAT AN APPROPRIATION OF \$25,500 BE INCLUDED IN THE PENDING DEFICIENCY BILL FOR PAYMENT TO HUGH T. TAGGART FOR SERVICES PERFORMED UNDER APPOINTMENT BY THE DEPARTMENT OF JUSTICE.

TREASURY DEPARTMENT, *February 26, 1897.*

SIR: I have the honor to transmit herewith, for the consideration of Congress, copy of a communication from the Attorney-General, of the 25th instant, requesting that an appropriation of \$25,500 be included in the pending deficiency bill for payment to Hugh T. Taggart for services performed under appointment by the Department of Justice.

Respectfully, yours,

W. E. CURTIS, *Acting Secretary.*

The PRESIDENT OF THE SENATE.

DEPARTMENT OF JUSTICE,
Washington, D. C., February 25, 1897.

SIR: I have the honor to request that an appropriation of \$25,500 be included in the pending deficiency bill before Congress for the payment to Hugh T. Taggart of an account for services performed under appointment by this Department.

Respectfully,

JUDSON HARMON,
Attorney-General.

The SECRETARY OF THE TREASURY,
Washington, D. C.

JUDGMENT RENDERED AGAINST THE UNITED STATES.

FEBRUARY 27, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING ATTORNEY-GENERAL, TRANSMITTING AN ADDITIONAL JUDGMENT RENDERED AGAINST THE UNITED STATES BY THE DISTRICT AND CIRCUIT COURTS OF THE UNITED STATES.

DEPARTMENT OF JUSTICE,
Washington, D. C., February 27, 1897.

SIR: As supplemental to my letter of February 25, 1897, transmitting a list of judgments rendered against the United States by the circuit and district courts of the United States under the provisions of the act of March 3, 1887 (24 Stat. L., p. 505), entitled "An act to provide for the bringing of suits against the Government of the United States," I beg leave to transmit herewith an additional judgment, for which an appropriation is required.

Very respectfully,

HOLMES CONRAD,
Acting Attorney-General.

The PRESIDENT OF THE SENATE.

EXHIBIT No. 1.

[Martin T. McMahon v. The United States, No. 951.]

It is further ordered and adjudged that the complainant, Martin T. McMahon, do recover of the United States, the defendant herein, the amount of said judgment of said circuit court of the United States for this district, to wit, the sum of \$3,629.70.

E. HENRY LACOMBE, *Judge.*

SOUTHERN DISTRICT OF NEW YORK,
February 26, 1897.

JUDGMENTS AGAINST THE DISTRICT OF COLUMBIA.

FEBRUARY 27, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY, TRANSMITTING COPY OF A COMMUNICATION FROM THE COMMISSIONERS OF THE DISTRICT OF COLUMBIA, SUBMITTING ESTIMATES OF APPROPRIATION TO PAY CERTAIN JUDGMENTS AGAINST THE DISTRICT OF COLUMBIA.

TREASURY DEPARTMENT,
February 27, 1897.

SIR: I have the honor to transmit herewith, for the consideration of Congress in connection with the deficiency bill now pending, copy of a communication from the Commissioners of the District of Columbia, of this date, submitting estimates of appropriation to pay certain judgments against the District of Columbia, aggregating \$484.25.

Respectfully, yours,

W. E. CURTIS, *Acting Secretary.*

The PRESIDENT OF THE SENATE.

OFFICE COMMISSIONERS DISTRICT OF COLUMBIA,
Washington, D. C., February 27, 1897.

SIR: The Commissioners have the honor to submit herewith, with request for its early transmittance to Congress, an estimate for inclusion in the pending general deficiency bill, to provide for the payment of judgments in the cases of Catherine Roth and C. Thomas & Son.

Respectfully,

JOHN W. ROSS,
President Board of Commissioners, District of Columbia.

Hon. JOHN G. CARLISLE,
Secretary of the Treasury.

*Estimates of appropriations required for the service of the fiscal year ending June 30, 1897,
by the District of Columbia.*

Detailed objects of expenditure, and explanations.	Judg- ment.	Costs.	Total amount to be appro- priated under each head of appropria- tion.
DISTRICT OF COLUMBIA.			
Judgments, District of Columbia— For the payment of judgments against the District of Colum- bia as follows:			
Catherine Roth	\$100.00	\$45.10	
Columbus Thomas and Noble H. Thomas, trading as C. Thomas & Son.....	305.10	34.05	
	405.10	79.15	\$484.25
Together with a further sum to pay the interest on said judgments, as provided by law, from the date the same became due until the date of payment.			

CLAIMS ALLOWED BY ACCOUNTING OFFICERS.

FEBRUARY 27, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY, TRANSMITTING, IN RESPONSE TO SENATE RESOLUTION OF THE 24TH INSTANT, SUPPLEMENTAL SCHEDULES OF CLAIMS AMOUNTING TO \$21,419.27, ALLOWED BY THE SEVERAL ACCOUNTING OFFICERS OF THE TREASURY DEPARTMENT UNDER APPROPRIATIONS THE BALANCES OF WHICH HAVE BEEN EXHAUSTED OR CARRIED TO THE SURPLUS FUND.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., February 27, 1897.

SIR: In compliance with the resolution of the Senate of the 24th instant, I have the honor to transmit herewith supplemental schedules of claims, amounting to \$21,419.27, allowed by the several accounting officers of the Treasury Department under appropriations the balances of which have been exhausted or carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (18 Stat. L., 110).

Respectfully, yours,

W. E. CURTIS, *Acting Secretary.*

The PRESIDENT OF THE SENATE.

Allowed by the Auditor for the Treasury Department.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
TREASURY DEPARTMENT.				
8893	Western Union Telegraph Company	Suppressing counterfeiting and other crimes (certified claim).	1894	\$61.46
INTERNAL REVENUE.				
9016	Baker, Edward	Expenses of assessing and collecting internal revenue (certified claims).	1873	57.69

Allowed by the Auditor for the Treasury Department—Continued.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
	TREASURY DEPARTMENT—Cont'd. CUSTOMS.			
8934	O'Brien, Walter.....	Collecting revenue from customs (certified claims).	1894	\$15. 60
	Total, Treasury Department.....			134. 75

RECAPITULATION OF CLAIMS ALLOWED BY THE AUDITOR FOR THE TREASURY DEPARTMENT.

Treasury Department:	
Suppressing counterfeiting and other crimes.....	\$61. 46
Internal revenue, as follows—	
Assessing and collecting internal revenue.....	57. 69
Customs, as follows—	
Collecting revenue from customs.....	15. 60
Total Treasury Department.....	134. 75

Allowed by the Auditor for the War Department.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
	WAR DEPARTMENT. CLAIMS.			
239124	Cain, Henry	Pay, etc., of the Army (certified claims).	1868	\$266. 37
239090	Fisher, Edward G.....	do	1893	65. 07
239123	Fitzpatrick, James	do	1894	35. 59
239558	Foster, Edward.....	do	1868	188. 34
239559	do	do	1868	10. 00
239561	Flood, Terence M.....	do	1894	103. 20
239556	Hewitt, Eli.....	do	1866	2. 51
239547	Tyrrell, William D	do	1867	24. 30
	Total.....			695. 38
1909	Merrow, C. M.....	Incidental expenses Quartermaster's Department (certified claims).	1894	60. 00
1910	Day, George	Transportation of the Army and its supplies (certified claims).	1864	14. 50
1963	Troutman, D., master of steamer Delta	do	1891	2. 75
	Total			17. 25
1954	Davis, Albert G.....	Pay transportation services and supplies of Oregon and Washington Volunteers in 1855-56 (certified claims).	1856	37. 91
1932	McAlmond, Elijah H.....	do	1856	29. 93
	Total			67. 84
1939	State of Nebraska	Reimbursement to certain States and Territories for expenses incurred in repelling invasions and suppressing Indian hostilities (certified claims).	1868-1869	2, 644. 59
	Total War Department.....			3, 485. 06

Allowed by the Auditor for the War Department—Continued.

RECAPITULATION OF CLAIMS ALLOWED BY THE AUDITOR FOR THE WAR DEPARTMENT.

Pay, etc., of the Army.....	\$695.38
Incidental expenses, Quartermaster's Department.....	60.00
Transportation of the Army and its supplies.....	17.25
Reimbursement to certain States and Territories for expenses incurred in repelling invasions and suppressing Indian hostilities.....	2,644.59
Pay, transportation, services, and supplies of Oregon and Washington volunteers in 1855 and 1856	67.84
Total War Department	3,485.06

Allowed by the Auditor for the Navy Department.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
NAVY DEPARTMENT.				
NAVAL ESTABLISHMENT.				
17	McCarter, John	Pay of the Navy (certified claims).	1863	\$33.53
3	Patterson, John	do	1871-1874	8.42
4	Schadler, Frank (alias Schedler)	do	1865	15.27
15	Hoey, Frank	do	1878-1893	193.22
	Total			250.44
637	Chicago, Rock Island and Pacific Rwy. Co.	Contingent, Marine Corps (certified claims).	1896	13.85
637	do.....	Contingent, Bureau of Equipment (certified claims).	1896	20.18
551	do.....	Steam machinery, Bureau of Steam Engineering (certified claims).	1896	69.29
24	Magruder, C. B.	Enlistment bounties to seamen (certified claims).	1864	200.00
108	Dana, William H.	Mileage, Navy, Graham decision (certified claims).	1862	350.10
5	Quinn, James	do	1869	399.31
1	Fort, William S.	do	1868-1872	585.31
89	Thomas, N. W.	do	1866	237.67
6	King, John A. B.	do	1866	429.23
5	Gardner, William H.	do	1861-1862	704.70
	Total			2,706.32
56	Au, Wilhelm	Pay, Marine Corps (certified claims).	1872-1893	598.80
248	Behrle, Blasius	do	1881-1882	15.76
226	Boll, Paul	do	1874-1881	212.63
39	Eopolucci, Antonio (alias Lewis Desimone).	do	1873-1893	585.90
129	Grosskurth, August	do	1889-1893	130.40
76	Jaeger, Henry	do	1881-1893	407.30
74	Jaegle, Joseph A.	do	1892-1893	24.00
96	Kruger, Christian	do	1872-1880	247.16
100	Kruger, Louis M.	do	1883-1893	62.00
110	Licarione, Giacinto	do	1877-1893	548.30
109	Lusby, Frank W.	do	1882-1889	276.00
40	Oliveri, Joseph (alias Guiseppe)	do	1884-1893	287.30
237	Schneider, Camillo	do	1876-1881	45.93
219	Schuldt, Henry	do	1873-1889	373.63
209	Sousa, Antonio	do	1872-1879	135.76
3	Jaeger, W.	do	1883-1885	67.50
48	Niemann, Henry	do	1880-1881	29.50
102	Petrola, Salvatore	do	1873-1893	740.37
235	Schneider, Lorenzo	do	1878-1879	42.80
268	Massari, Emanuel	do	1877-1882	30.73
211	Smith, Walter F.	do	1888-1893	152.80
	Total			5,014.57

CLAIMS ALLOWED BY ACCOUNTING OFFICERS.

Allowed by the Auditor for the Navy Department—Continued.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
NAVY DEPARTMENT—Cont'd.				
NAVAL ESTABLISHMENT—continued.				
47	Lomax, Samuel F.....	Provisions, Navy, Bureau of Supplies and Accounts (certified claims).	1884-1892	\$362.76
109	Baxter, Jas. W.....	Provisions, Navy, Bureau of Supplies and Accounts, Fuller decision (certified claims).	1885-1893	280.13
86	McIntosh, Alexander.....	do	1874-1885	1,155.66
7	Poole, F. H.....	do	1883-1887	378.60
95	Sebley, Harry.....	do	1874-1881	660.08
	Total			2,474.47
	Total Navy Department.....			11,111.88

RECAPITULATION OF CLAIMS ALLOWED BY THE AUDITOR FOR THE NAVY DEPARTMENT.

Pay of the Navy.....	\$250.44
Mileage, Navy, Graham decision.....	2,706.32
Pay of the Marine Corps	5,014.57
Contingent, Marine Corps	13.85
Contingent, Bureau of Equipment.....	20.18
Provisions, Navy, Bureau of Supplies and Accounts.....	2,837.23
Steam machinery, Bureau of Steam Engineering.....	69.29
Enlistment bounties to seamen	200.00
Total Navy Department	11,111.88

Allowed by the Auditor for the Interior Department.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
INTERIOR DEPARTMENT.				
PUBLIC LAND SERVICE.				
52444	Southern Pacific R. R. of New Mexico...	Expenses of inspectors, General Land Office (certified claims).	1890	\$20.95
2247	James M. Gilmore and Charles T. Loback, deputy surveyors.	Surveying the public lands (certified claims).	1894	740.48
2274	William Lewman, deputy surveyor	do	1893	2,553.00
	Total			3,293.48
	Total public land service			3,314.43
INDIAN AFFAIRS.				
11433	Hugh G. Brown, captain and acting Indian agent.	Support of Apaches, Kiowas, Comanches, and Wichitas (certified claims).	1893	10.00
11557	John H. Manning.....	Support of Pawnees, schools (certified claims).	1897	674.47
11566	Rand, McNally & Co.....	do	1897	5.20
11592	Department of the Interior.....	do	1897	1.82
	Total			681.49

Allowed by the Auditor for the Interior Department—Continued.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
INTERIOR DEPARTMENT—Cont'd.				
INDIAN AFFAIRS—continued.				
11434	George Le Roy Brown, captain and acting Indian agent.	Support of Sioux of different tribes, subsistence and civilization (certified claims).	1892	\$75.00
11507	Marcus D. Shelby, special United States Indian agent.	Indian school transportation (certified claims).	1894	1.29
11507	do	Contingencies, Indian department (certified claims).	1894	2.50
11624	George S. Doane, United States Indian agent.	Pay of judges, Indian courts (certified claims).	1894	.03
11481	Union Pacific Railway Company.....	Incidentals in Idaho (certified claims).	1897	37.80
Total, Indian affairs				808.11
PENSIONS.				
11323	Jacob Schenkelberger, United States pension agent.	Salaries, pension agents (certified claims).	1893	33.00
Total, Interior Department.....				4,155.54

RECAPITULATION OF CLAIMS ALLOWED BY THE AUDITOR FOR THE INTERIOR DEPARTMENT.

Interior Department:

Expenses of inspectors, General Land Office.....	\$20.95
Surveying the public lands	3,293.48
	<u>\$3,314.43</u>

Indian Affairs—

Pay of judges, Indian courts.....	.03
Contingencies, Indian department.....	2.50
Support of Pawnees: Schools.....	681.49
Support of Sioux of different tribes: Subsistence and civilization.....	75.00
Support of Apaches, Kiowas, Comanches, and Wichitas.....	10.00
Indian school transportation.....	1.29
Incidentals in Idaho.....	37.80
	<u>808.11</u>

Pensions—

Salaries, pension agents.....	33.00
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Total, Interior Department.....	<u>4,155.54</u>
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Allowed by the Auditor for the State and other Departments.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
DEPARTMENT OF JUSTICE.				
MISCELLANEOUS.				
120045	J. R. Wilkins.....	Expenses of Territorial courts in Utah (certified claim).	1890	\$32.75
UNITED STATES COURTS.				
26462	Willard Kingsley.....	Pay of special assistant attorneys, United States courts (certified claim).	1894	170.00

Allowed by the Auditor for the State and other Departments—Continued.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
DEPARTMENT OF JUSTICE—Cont'd.				
UNITED STATES COURTS—continued.				
26445	J. J. Allen.....	Fees of commissioners, United States courts (certified claim).	1893	\$215.00
26386	R. M. Grubbs.....	do	1890-1894	383.50
26674	W. A. Kirk.....	do	1893, 1894	38.25
144926	John Lillyett.....	do	1885-1887	40.00
26599	A. H. Moulton.....	do	1894	1.00
117997	J. R. Wilkins.....	do	1888	121.50
114880	do	do	1888	276.25
120048	do	do	1889	55.60
114879	do	do	1889	115.50
120046	do	do	1890	30.00
Total				1,276.60
Total, Department of State				1,479.35

RECAPITULATION OF CLAIMS ALLOWED BY THE AUDITOR FOR THE STATE AND OTHER DEPARTMENTS

Expenses of Territorial courts in Utah.....	\$32.75
Pay of special assistant attorneys, United States courts.....	170.00
Fees of commissioners, United States courts	1,276.60
Total Department of Justice	1,479.35

Allowed by the Auditor for the Post-Office Department.

No. of certificate or claim.	Name of claimant.	Appropriation from which payable.	Fiscal year in which the expenditure was incurred.	Amount.
POST-OFFICE DEPARTMENT.				
POSTAL SERVICE.				
20491	A. L. Donham, postmaster, Terre Haute, Ind., amount paid sub letter-carrier, second quarter, 1894.	Free delivery (certified claims).	1894	\$0.50
20492	Western Union Telegraph Co., District of Columbia, for telegrams from May 11, 1893, to June 30, 1894.	Mail depredations and post-office inspectors (certified claims).	1893-1894	43.98
20493	Bert F. Palmer, special carrier, Iowa, for special service from Oct. 1, 1893, to June 30, 1894.	Star transportation (certified claims).	1894	26.78
20494	Richmond and Danville R. R. Co., route 114002, Virginia, remissions in first quarter, 1894.	Special facilities (certified claims).	1894	431.35
20495	Richmond and Danville R. R. Co., route 121001, Georgia, remissions in first quarter, 1894.	do	1894	550.08
Total				981.43
Total Post-Office Department.....				1,052.69

RECAPITULATION OF CLAIMS ALLOWED BY THE AUDITOR FOR THE POST-OFFICE DEPARTMENT.

Free delivery.....	\$0.50
Mail depredations and post-office inspectors.....	43.98
Star transportation.....	26.78
Special facilities.....	981.43

Total claims from 20491 to 20495, inclusive, payable from "Deficiency in the postal revenues (certified claims)..... 1,052.69

Allowed by the Auditor for the Post-Office Department—Continued.

SUMMARY OF CLAIMS.

Treasury Department:		
Treasury proper	\$61.46	
Internal revenue	57.69	
Customs	15.60	
		\$134.75
War Department:		
Military establishment		3,485.06
Navy Department:		
Naval establishment		11,111.88
Interior Department:		
Public-lands service	3,314.43	
Indian affairs	808.11	
Pensions	33.00	
		4,155.54
Department of Justice:		
Miscellaneous	32.75	
Expenses of United States courts	1,446.60	
		1,479.35
Post-Office Department:		
Postal service		1,052.69
Grand total		21,419.27

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REPORT OF THE WASHINGTON, ALEXANDRIA AND MOUNT
VERNON RAILWAY COMPANY.

FEBRUARY 27, 1897.—Referred to the Committee on the District of Columbia and
ordered to be printed.

The VICE-PRESIDENT presented the following

ANNUAL REPORT OF THE WASHINGTON, ALEXANDRIA AND
MOUNT VERNON RAILWAY COMPANY.

WASHINGTON, D. C., *February 24, 1897.*

*To the Senate and House of Representatives of the United States of
America in Congress assembled:*

The Washington, Alexandria and Mount Vernon Railway Company,
pursuant to section 10 of the act of the 10th of June, 1896, submits the
following report:

The said company is organized under the laws of the State of Vir-
ginia. By the provisions of an act of Congress approved August 23,
1894, the company was authorized to extend its road into the city of
Washington. Under these two authorizations it has constructed and
operates a system of roads, extending from Thirteen-and-a-half and E
streets in said city of Washington to the foot of Fourteenth street, a
distance of about nine-tenths of a mile; to Alexandria, a distance from
said terminus of about $7\frac{1}{7}$ miles; to Mount Vernon, a distance from said
terminus of about 15.8 miles; to Rosslyn, a distance from said terminus
of about 5.6 miles.

The traffic of the company is almost entirely between the terminus
aforesaid and the various points above named, traversing that portion
of the road that lies between said terminus and the foot of Fourteenth
street, but little of said traffic being local to the city of Washington.
As far as was possible that part which pertains to the city of Wash-
ington has been specified in the schedule; and because of the facts above
stated it is difficult to make an apportionment between the District
of Columbia and the various points in the State of Virginia above
named, but, in order to comply as far as possible with the requirements
of said section 10, the exhibit hereto attached is respectfully submitted.

By section 15 of the act of August 23, 1894, the company is required
to make to Congress, through the Commissioners of the District of
Columbia, a report. That report has been made to the Commissioners.
through whom in due course it will be presented to Congress.

Very respectfully,

G. E. ABBOTT, *President.*

2 WASHINGTON, ALEXANDRIA, AND MOUNT VERNON Rwy. CO.

List of stockholders of the Washington, Alexandria and Mount Vernon Railway Company.

	Shares.
David C. Leech.....	242
James S. Swartz.....	128
Griffith E. Abbot.....	128
James R. Caton.....	100
Frank A. Reed.....	100
Frank K. Hipple.....	114
Park Agnew.....	128
Frederick Mertens.....	128
Estate of Henry S. Leech, deceased.....	28
Mount Vernon Construction Company.....	4,001
Griffith E. Abbot, trustee.....	100
George F. Huff.....	500
Jacob K. Swartz.....	40
G. Briton Roberts.....	50
David E. Williams.....	50
Samuel Rea.....	10
Joseph Crawford.....	10
George A. Walker.....	3,980
John Cassels.....	50
Griffith E. Abbot, trustee.....	3
Frank K. Hipple and Griffith E. Abbot.....	110
Total.....	10,000

General statement.

Capital stock.....	\$500,000.00
Capital stock paid in.....	\$500,000.00
Total funded debt.....	\$600,000.00
Total floating debt.....	\$35,375.77
Average rate of interest per annum funded debt..... per cent..	4½
Amount of dividends declared.....	None.
Cost of roadbed, including iron, District of Columbia.....	\$112,614.00
Cost of land, District of Columbia.....	None.
Fitting up building, District of Columbia.....	\$1,000.00
Cost of fixtures, District of Columbia.....	\$385.48
Cost of land damages, District of Columbia.....	None.
Total cost of car equipment, District of Columbia.....	\$58,400.00
Total cost of road and equipment, District of Columbia.....	\$171,014.00
Road operated in District of Columbia..... miles..	1.8
Length of double track in District of Columbia..... miles..	.9
Weight of rail by yard in District of Columbia..... pounds..	83
Number of cars in District of Columbia.....	12
Number of motors in District of Columbia.....	6
Total number of passengers in District of Columbia.....	325,286
Average time consumed by cars in District of Columbia..... minutes..	5
Repairs of roadbed and railway, including repairs to buildings, etc., in District of Columbia.....	\$490
Total cost of maintaining road and real estate in District of Columbia..	\$2,142.23
Cost of general superintendence, District of Columbia.....	\$232.11
Salary of officers, clerks, agents, and office expenses, District of Columbia	\$1,603.56
Wages paid conductors, motormen, and ¹ engineers, District of Columbia, or 20 cents per hour.	\$1,060.67,
Water and other taxes, District of Columbia.....	None.
Damages to persons and property, District of Columbia.....	\$35
Rents and other roads, District of Columbia.....	\$5,005
Total expenses operating road and other repairs, District of Columbia..	\$10,078.57
Receipts from passengers, District of Columbia.....	\$7,120.24
Receipts from other sources, District of Columbia.....	\$140.94
Total receipts from all sources, District of Columbia.....	\$7,261.18
Payments for maintenance and repairs, District of Columbia.....	\$2,142.23
Payments for interest.....	\$22,519.84
Payments for dividends.....	None.
Total payments.....	\$204,997.89

¹None in District of Columbia.

Persons injured in District of Columbia, 2 injured, 1 killed.

Cause of injury: First, train struck cart; head cut.

Cause of injury: Second, swinging on platform, struck by Belt Line car.

Cause of death: Trespassing on causeway, Long Bridge.

NOTE.—Under our interpretation of the act the \$490 under "Repairs of roadbed, railway," etc., is included in the \$2,142.23 under "Total cost of maintaining road and real estate" and the "Payments for maintenance and repairs" are considered the same as "Total cost of maintaining road and real estate."

	Total pas- sengers.	Total value.	Washing- ton City earnings.	Number of tickets.
Washington and Alexandria:				
10 cents.....	183	\$18.30	\$2.12	.....
15 cents.....	31,591	4,738.65	549.68	.....
25 cents.....	74,340	18,585.00	2,289.67	.....
Washington and Alexandria Island:				
17 cents.....	3,349	569.33	217.68	.....
15 cents.....	370	54.50	21.31	.....
Washington and Arlington Junction, 15 cents.....	412	61.80	20.56	.....
Washington and Arlington:				
20 cents.....	16,617	3,323.40	663.02	.....
15 cents.....	741	111.15	22.23	.....
Washington and Mount Vernon, 60 cents.....	2,191	1,314.60	67.04	.....
Washington and Addison, 18 cents.....	545	98.10	29.43	.....
Washington and Four Mile Run, 25 cents.....	522	130.50	28.55	.....
Washington and St. Asaph:				
10 cents.....	1,000	100.00	17.00	.....
25 cents.....	14,648	3,662.00	645.97	.....
Washington and Del Ray, 25 cents.....	2,077	519.25	83.29	.....
Washington and North Alexandria:				
15 cents.....	22	3.30	.31	.....
25 cents.....	45	11.25	1.04	.....
Washington and Riverside:				
40 cents.....	8,049	3,219.60	195.59	.....
25 cents.....	4,928	1,232.00	75.40	.....
Washington and Mount Vernon:				
35 cents.....	1,628	569.80	32.23	.....
50 cents.....	15,453	7,726.50	438.86	.....
Washington and Four Mile Run, 15 cents.....	14	2.10	.45	.....
Washington and Del Ray, 15 cents.....	111	16.65	2.66	.....
Washington and Mount Vernon:				
20 cents.....	6	1.20	.07	.....
25 cents.....	11	2.75	.15	.....
Cash fares, Washington and Alexandria, 15 cents.....	47,468	7,120.24	832.21	.....
Washington City, 4½ cents.....	202	8.42	8.42	.....
Washington and Alexandria:				
8-trip tickets, 90 cents.....	38,624	4,345.00	505.97	4,828
12-trip tickets, 90 cents.....	9,564	717.30	85.19	797
8-trip tickets, 50 cents.....	24	1.50	.17	3
25-trip tickets—				
\$2.50.....	29,450	2,945.00	344.56	1,178
\$1.50.....	3,050	183.00	21.04	122
Washington and Alexandria:				
50-trip tickets, \$6.70.....	100	13.40	1.56	2
60-trip tickets, \$4.65.....	10,500	813.75	99.75	175
Washington and St. Asaph, 60-trip tickets, \$4.35.....	1,260	91.35	16.10	21
Washington and Alexandria, 46-trip tickets, \$3.10.....	1,242	83.70	9.68	27
Washington and Riverside, 46-trip tickets, \$6.....	368	48.00	2.90	8
Washington and Addison, 50-trip tickets, \$4.30.....	50	4.30	1.22	1
Washington and Alexandria, 180-trip tickets, \$12.60..	2,340	163.80	18.95	13
Total.....	325,286	61,626.69	7,357.08	.....

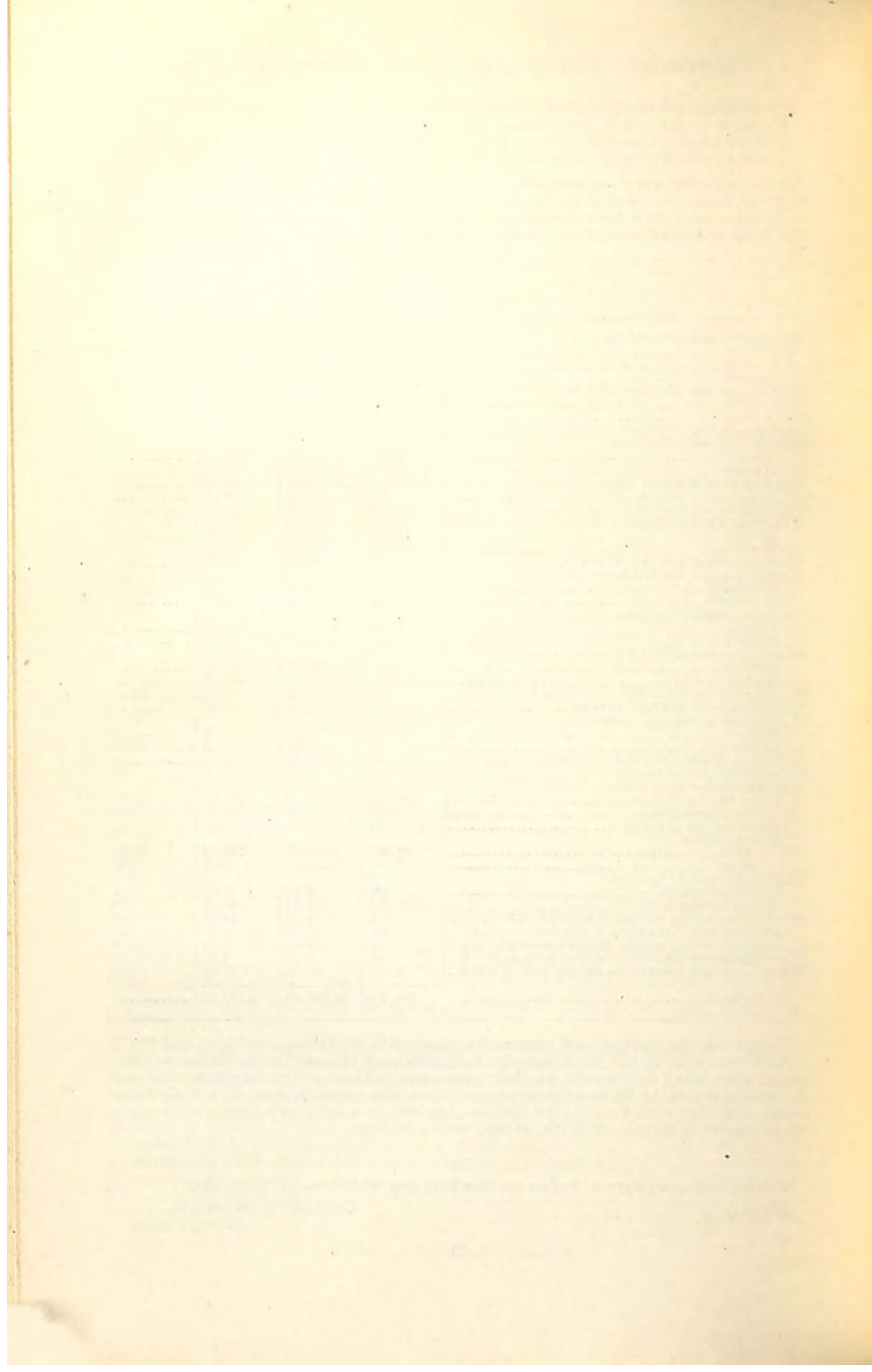
Before me, the undersigned, personally appeared G. E. Abbot, president, and D. C. Leech, treasurer of the Washington, Alexandria and Mount Vernon Railway Company, who, being duly sworn, on their respective oaths say that they have read the foregoing report by them subscribed, and know the contents thereof, and that the same, together with the exhibits thereto attached, is a true and correct statement of the matters therein set forth, as they verily believe.

G. E. ABBOT.
D. C. LEECH.

Subscribed and sworn to before me this 27th day of February, A. D. 1897.

[SEAL.]

CHARLES S. FLETCHER,
Notary Public.



ADDITIONAL JUDGE OF UNITED STATES COURT IN INDIAN TERRITORY.

FEBRUARY 27, 1897.—Ordered to be printed, to accompany H. R. 10002.

Mr. PETTIGREW presented the following

**MEMORIAL OF THE MEMBERS OF THE BAR OF MUSCOGEE AND
THE NORTHERN DISTRICT OF THE INDIAN TERRITORY,
TOGETHER WITH LETTERS FROM JUDGES AND OTHER PROM-
INENT CITIZENS OF THE TERRITORY, PRAYING FOR HE
APPOINTMENT OF AN ADDITIONAL JUDGE OF THE UNITED
STATES COURT FOR THE TERRITORY.**

MUSCOGEE, IND. T., *January 30, 1897.*

At a meeting of the members of the bar of Muscogee and the northern district of the Indian Territory, at the United States court room in Muscogee on January 28, 1897, the Hon. James M. Shackelford was appointed chairman, and James A. Winston, clerk of the court, was appointed secretary.

The following memorial to Congress in favor of the appointment of an additional judge of the United States court for the Indian Territory was unanimously adopted, and the judge of the court was requested to transmit the same to the chairmen of the Judiciary Committees of the Senate and House of Representatives of the Congress of the United States:

To the Senate and House of Representatives of the United States of America:

The members of the bar of Muscogee and of the northern district of the Indian Territory respectfully petition Congress for the appointment of an additional judge of the United States court in the Indian Territory, and submit the following facts which show the imperative necessity which now exists for the passage of Senate bill No. 3513, introduced by Senator Hoar, to authorize the appointment of an additional judge for the United States court in the Indian Territory.

On the first day of September, 1896, complete criminal jurisdiction in all cases was conferred upon the United States courts in the Indian Territory, and the jurisdiction theretofore exercised over cases arising in the Indian Territory by the United States court for the western district of Arkansas, at Fort Smith, Ark., and the United States court for the eastern district of Texas, at Paris, Tex., was abolished.

The report of Attorney-General Harmon for the fiscal year ending June 30, 1896, shows that the expenses of the United States courts for the western district of Arkansas and the eastern district of Texas,

incurred and paid during the fiscal year ending June 30, 1896, were as follows:

Western district of Arkansas.....	\$302, 157. 72
Eastern district of Texas	214, 429. 61
Total.....	587. 33

This statement does not exhibit the total expenses for the year, it only shows the expenses incurred and paid in that year; but as the accounts at the close of the year were not paid until after the expiration of the fiscal year, the sum paid after that time would be carried into the next report of the Attorney-General. That report will not be published until next year, but the expenses incurred in 1896 and paid after June 30, 1896, may be estimated by reference to the amount of expenses incurred in the year 1895, but paid in the year 1896, which expenses were as follows:

Western district of Arkansas.....	\$49, 955. 43
Eastern district of Texas	71, 626. 26

These two amounts added to the amount of expenses incurred and paid in the year will aggregate \$638,168. This amount is approximately correct and shows the total expense to the Government for maintaining the two courts indicated for year ending June 30, 1896.

Those best informed as to the business transacted in these courts are of the opinion that at least 80 per cent of the cases tried and disposed of at Fort Smith, Ark., and Paris, Tex., came from the Indian Territory. If we deduct, therefore, 20 per cent of the expenses of those courts from the total amount of such expenses, it will be seen that there remains an expenditure of \$510,535 as the total expense to the Government on account of cases from the Indian Territory disposed of at Fort Smith, Ark., and Paris, Tex., during the last fiscal year.

When the cases of which those courts had obtained jurisdiction prior to September 1, 1896, shall have been disposed of, that entire expense will be saved to the Government, except in so far as the expenses of the courts in the Indian Territory will be increased by reason of the increased jurisdiction conferred upon those courts, which will not exceed \$100,000 a year.

The number of criminal cases disposed of during the fiscal year ending June 30, 1896, at Fort Smith, Ark., and Paris, Tex., was as follows:

At Fort Smith, Ark	816
At Paris, Tex.....	386
Total.....	1, 202

At least 80 per cent of these cases, or 962, came from the Indian Territory. That number of criminal cases is more than one judge can possibly dispose of in one year if he should hold court for the trial of criminal cases only every working day in the year.

It must be remembered that these are all felony cases. The number of murder cases at Fort Smith was greater than in any other criminal court in the United States. There were nine indictments for murder found at the December term of court at Muscogee, and they will be for trial at Muscogee at the next May term of court at that place.

Before the increased jurisdiction was conferred upon the United States courts in the Indian Territory, there was more business in those courts than the three judges could possibly dispose of.

The increased jurisdiction which took effect on the 1st of September, 1896, will impose an amount of business upon the United States courts in the Indian Territory greater than one judge can possibly consider and dispose of.

The necessity, therefore, for an additional judge ought to be conceded by everyone.

By a recent act of Congress, appeals from citizenship cases, decided by the Dawes Commission and by the tribal citizenship tribunals, were allowed to the United States courts in the Indian Territory. Appeals have been taken in several hundred cases. In the northern district, in which the Cherokee Nation is situated, 296 appeals have been taken in citizenship cases. The applications embraced in each appeal will average about fifteen persons to each case. In the northern district the number of persons interested in these appeals and whose citizenship depends upon the decision of the court is about 4,440. Fifty-three come from the Creek Nation and 243 cases from the Cherokee Nation.

The Dawes Commission and the tribunals of the Five Civilized Tribes did not submit written opinions in these cases. The only order of the commissions was "rejected" or "allowed." It will be incumbent, therefore, upon the United States court to give all of the cases a careful consideration.

In the Cherokee Nation the subject of citizenship has been one of the most important questions which has agitated that nation during the past fifteen or twenty years, and as the decision of the United States court in these cases is final, the decision in each case should be accompanied by a written opinion, giving the reasons of the court for the decision rendered.

In the other districts of the Indian Territory the appeals are not so numerous. The most of the citizenship cases arose in the Cherokee Nation. In all of these cases many intricate questions are involved and the facts are numerous and conflicting.

An early decision in these appealed cases is required on account of the probable allotment of the lands to individuals, and no allotment can take place until the citizenship rolls have finally and authoritatively been completed.

These cases in the northern district of the Indian Territory are so numerous and so important that six months' time of any judge would scarcely be sufficient for the purpose of giving them the careful and exhaustive examination which their importance requires.

The business which has accumulated in the northern district of the Indian Territory is so great that it is utterly impossible for one judge to give it proper attention. At the recent December term of court at Muscogee, the criminal business was so great that no time could be given to the civil cases. There were 177 cases continued until the May term of court, which ought to have been disposed of at the December term of court, and which were continued for want of time to try them.

The number of civil cases pending at Muscogee on January 1, 1897, was 468, and in the northern district 744.

The number of criminal cases pending at Muscogee on January 1, 1897, was 196, and in the northern district 350.

Total civil and criminal cases pending in the northern district of the Indian Territory on January 1, 1897, 1,094.

There were also pending in the northern district of the Indian Territory 207 probate and guardianship cases, the United States court having jurisdiction in all matters of administration and guardianship.

The number of cases disposed of in the northern district of the Indian Territory during the six months ending December 31, 1896, was as follows:

Criminal cases.....	209
Common-law and chancery cases.....	253
Total	462

The number of cases disposed of in the northern district of the Indian Territory during the year ending June 30, 1896, was as follows:

Civil cases.....	390
Criminal cases.....	296
Total	686

The number of cases pending in the northern district of the Indian Territory on June 30, 1896, was as follows:

Civil cases.....	763
Criminal cases.....	209
Total	972

It has already been shown that there were pending in the northern district of the Indian Territory on January 1, 1897, 1,094 civil and criminal cases, which show that there were 122 cases more on the dockets on January 1, 1897, than were pending at the end of the six months preceding, and that the business is increasing rather than being diminished.

Unless another judge is appointed no civil cases can be tried at Muscogee hereafter. If the increase of criminal business is as great at Vinita as it has been at Muscogee since the 1st of September, 1896, there will be no time for civil trials at Vinita after the February term, 1897.

Persons charged with crime are frequently kept in jail in the northern district awaiting trial over a year.

The jail is overcrowded and the expense of feeding and guarding prisoners is much greater than it would be if criminal cases could be promptly tried.

The expense of an additional judge would be small when compared with the expense incurred in feeding and guarding prisoners and paying witnesses awaiting trials that could be had if the court had time to dispose of the cases.

The December term of the United States court at Muscogee was compelled to adjourn January 29, in order to enable the judge to attend the court of appeals at South McAlester, and prepare for the February term of court at Vinita, Ind. T., which begins on the second day of that month. The December term of court at Muscogee was interrupted by adjournment Christmas Day and New Year's Day, and by a session of the court of appeals for one week at South McAlester. The business transacted during the term was as follows: Seventy-six persons were sentenced to terms in the penitentiary; 15 persons were given jail sentences; fines were imposed on 10 persons; 21 cases were tried in which there were acquittals or the case was dismissed or there was a mistrial; there were 41 cases in which the grand jury ignored true bills; 177 cases were continued until the May term of court at Muscogee, for want of time to consider them, and no time whatever was given to the trial of civil business.

The three judges of the Indian Territory constitute a court of appeals, which meets twice a year at South McAlester. All appeals from the courts in the several districts are taken to this court. Its business is

increasing continually, and much time is required in hearing arguments and writing opinions in appealed cases.

In view of the great amount of criminal and civil business in the Indian Territory, and especially in the northern district, there is imperative necessity for another judge of the United States court in the Indian Territory.

The bill now pending, Senate No. 3513, which authorizes the appointment of a new judge, should be passed during the present session, in order that the incoming President may promptly appoint another judge.

The statistics used in this statement are taken from the report of Attorney-General Harmon for the fiscal year ending June 30, 1896, and from the records of the United States court in the northern district of the Indian Territory.

And your petitioners will ever pray.

JAMES M. SHACKELFORD, *Chairman.*
JAMES A. WINSTON, *Secretary.*

UNITED STATES COURT IN THE INDIAN TERRITORY,
CENTRAL DISTRICT,
South McAlester, Ind. T., February 10, 1897.

SIR: Your favor, addressed to Hon. Charles B. Stuart, as judge of the United States court at South McAlester, has been handed by him to me, who, upon the resignation of Judge Stuart in 1895, succeeded him in the position of judge of the United States court for the central district of the Indian Territory.

Referring to your request for information as to the number of criminal cases tried in the court since it was created, the nature of each offense, and the result of each trial, I beg to call your attention to the fact that by the act of Congress passed March 1, 1895, the Indian Territory, which had theretofore consisted of a single judicial district with three divisions and with a single judge, was divided into three districts, with three judges. Judge Stuart, having been before the passage of this act judge of the court for the entire Territory, became thereafter judge of the central district. By the terms of this act it was provided that sessions of the court for the central district should be held at three points therein in addition to the terms at South McAlester, where court had before the act been held. Assuming that your inquiry is intended to ascertain the amount, character, and disposition of the criminal business that has been transacted by the court in the central district since March 1, 1895, I have directed the clerk to make up a statement as soon as possible and to forward it to you. It may be that he will find it necessary to communicate with his deputies at the other three points in this district before he will be able to send this information.

On September 1, 1896, the jurisdiction as to certain classes of crimes committed in the Indian Territory which had theretofore been vested in the United States courts at Paris, Tex., and Fort Smith, Ark., ceased, and the United States courts in the Indian Territory have had exclusive jurisdiction of all violations of the criminal law, except when committed by Indians against Indians, since that date. That change, in my judgment, has been most beneficial in the way of securing a better enforcement of the criminal law. The people who, under the old system, felt a spirit of hostility to the outside courts, and from fear of expense and loss of time in attending them gave little or no aid to the officers of the law in discovering crime and apprehending its perpetrators,

have responded most readily to the demands of the situation with jurisdiction vested in courts in their midst, have cooperated with the executive officers, have been rigid in upholding the law as jurors, and, from a better knowledge of witnesses appearing before them than could be possibly had by jurors sitting in the United States courts in the States, have been better able to arrive at just conclusions in cases tried. The moral effect of grand juries sitting in the local communities has been great and the result has been a marked improvement in the conditions obtaining in the Territory.

Your question as to whether the jurisdiction of the Indian courts should be abolished I am constrained to answer in the affirmative. As a ground for this conviction I will state that these courts have ceased to exercise a restraining influence upon those subject to their jurisdiction in the commission of offenses. The result is that those members of the tribes who are disposed to crime, knowing fully the limits of the jurisdiction of the United States court, plunder and steal from other members of their tribes without fear. They drive off cattle and horses and sell them to white men. They commit other forms of trespass upon the rights of their fellows, secure in the belief that if aligned with certain influences, sometimes political and sometimes of a different sort, they will be free from punishment. As an illustration of this I will send you the testimony of a negro, entitled to the rights of membership in the Choctaw Nation, taken in an examining trial about a week since. You will see from that testimony that he and another negro, with like rights of citizenship in the Choctaw Nation, assassinated, under circumstances of indescribable brutality, another negro member of the tribe, being hired to do so by a white man against whom the deceased was a witness in the United States court.

The consideration of the murder was the promise of \$100 each to the assassins. You will note that this negro stated that they were willing to commit the offense because they were of the impression that the Choctaw courts would have jurisdiction, and that they would have no trouble in escaping punishment. In this case the jurisdiction of the United States court arises under the act of Congress providing that for the murder of a member of any one of the Indian nations who had been a posse man or guard in the execution of process of the United States courts, such court should have jurisdiction. The deceased had been such posse man, but this fact was unknown to his murderers, and, without fear, they killed him with intent to destroy his testimony as a witness in the United States court. Another witness in this case testified that he gave information leading to the apprehension of the murderers when he learned that the trial would be in the United States court, when he would not have done so had the case been triable in the Choctaw courts, for the reason that had he done so he himself would doubtless have been killed. A white man was indicted in my court for larceny upon the testimony of two negro witnesses, and before his trial, being a man of influence, was able to procure the indictment and conviction of one of the negroes in the Choctaw court, thereby rendering him incompetent to testify.

These instances will make plain to you how the protection of both Indians and the whites is hindered by reason of the system in force here, and how even the most ignorant are informed as to the condition of affairs and act upon it. If you will examine the record in the case of *Talton v. Mays*, lately decided by the Supreme Court of the United States, but not yet reported, you will find that in the Cherokee courts a member of that tribe was sentenced to death, upon an indictment

rendered by a grand jury of five persons, under a law that had been repealed before the alleged grand jury was organized, and that the United States courts could not take cognizance of the matter, because the question whether or not there was an error was within the final determination of the Cherokee court. Two other men, one of whom was a citizen of the United States who had intermarried into the tribe, were sentenced to death under an indictment tainted with the same illegality, but both died in prison pending the appeal to the Supreme Court of the United States.

Thus it is possible, under the existing system, to hang not only Indians, but white men, under proceedings that have not the least semblance of legality. Construing section 905 Revised Statutes of the United States, it is held by the United States court of appeals for the eighth circuit, that the proceedings and judgments of the courts of the Indian nations are upon the same footing and entitled to the same faith and credit as the proceedings and judgments of the courts of the Territories of the Union. (*Davidson v. Gibson*, 12 U. S. App., 164; *Stanley v. Roberts*, 59 Fed. Rep., 836.) Under the rule established by the Supreme Court of the United States, judgments of the courts named in section 905 are not impeachable in a collateral attack, except upon the ground that the court had no jurisdiction of the case or that the judgment rendered was beyond its power. They can not be inquired into upon the ground of fraud. The result is that judgments in civil proceedings procured in the Indian courts by admitted corruption must be upheld and enforced when made the basis of right in subsequent proceedings in the United States court.

In the case of *Stanley v. Roberts*, supra, which was a contest over the ownership of a mine, judgment for the mine and for \$30,000 damages was rendered against one Phillips, a United States citizen who had intermarried into the tribe, when the ground of damage alleged and proven would not have warranted a recovery for a tithe of that sum. In the case of *Connels v. Shannon* (U. S. Appeals), a judgment in like amount was rendered in the Creek court against Shannon, who was an intermarried citizen of the Creek Nation, under circumstances that would not have warranted a recovery for one-tenth of that sum in other courts. In my own court a judgment was rendered in favor of one intermarried United States citizen for the possession of a farm, against another intermarried United States citizen—jurisdiction of the United States court arising from the joinder in the suit of tenants who were citizens of the United States. After the determination of the matter in my court, the defeated party went into the Choctaw courts and without a hearing obtained a judgment for the same farm. This judgment he used as a means by which he compelled the other party to surrender the damages that had been awarded him in the action in the United States court. These illustrations are a few of the many that I might give you.

In the matter of the administration of estates of Indian decedents, the vices are indescribable. As a rule, an administration means an utter spoliation of the heirs and of the creditors. It is almost a matter of course that the heirs will get nothing. If the creditors are United States citizens they fare no better than the heirs. They have no means by which they can reach the assets of the decedent or control of the administration, jurisdiction thereof being in the Indian courts, and they being excluded therefrom. These suggestions, which I might elaborate at great length, will sufficiently indicate the grounds of my opinion touching your question. If the jurisdiction of the Indian courts

is continued, I beg that you will so modify that section of the statute to which I have called your attention as that the United States courts will not be compelled to enforce, in collateral proceedings, the judgments of the Indian courts, where the jurisdiction of such is shown, but that inquiry may be made into the question of fraud in the procurement of such judgments. Constrained by the rule now operative in the Indian Territory, I have enforced judgments of the Indian courts when I felt that the judicial office was outraged in being compelled to do so.

Though the suggestion may not be germane to your inquiry, yet I trust you will permit me to say that the number of the United States judges in the Indian Territory should be increased. Memorials and statements, showing the condition of affairs here, will be presented you by others. I will content myself by simply saying that it is impossible for three men to do the work now required of the judges in this jurisdiction, and that if the jurisdiction of the Indian courts is conferred upon the United States courts the work will, of necessity, be largely increased.

I have the honor to be, very respectfully, yours,

YANCEY LEWIS, *Judge.*

Hon. R. F. PETTIGREW,

Chairman Committee on Indian Affairs,

United States Senate, Washington, D. C.

UNITED STATES COURT,
NORTHERN DISTRICT OF INDIAN TERRITORY,
Muscogee, Ind. T., February 12, 1897.

MY DEAR SENATOR: Your letter of the 6th instant is received, in which you ask for information as follows:

First. The number of criminal cases tried in your court since it was created, the nature of each offense, and the result of each trial.

Second. My opinion regarding the advisability of enlarging the jurisdiction of the United States court in the Indian Territory, so as to embrace all questions between Indians, as well as between Indians and whites, and whether the jurisdiction of the Indian courts should be abolished.

I will comply with your request as to the first proposition as far as the information is in my possession.

A United States court in the Indian Territory was first established by the act of March 1, 1889. This act authorized the appointment of one judge, and fixed one place, Muscogee, for holding court in the Indian Territory. The jurisdiction was limited in criminal matters to misdemeanors, no grand juries having been provided for. In civil cases the jurisdiction was complete. The Indian Territory then embraced all of what is now the Indian Territory and the Territory of Oklahoma. By the act of May 2, 1890, Oklahoma was separated from the Indian Territory, and the jurisdiction of the United States court was enlarged by extending certain portions of the statutes of Arkansas over the Indian Territory, and providing three places for holding court: Muscogee, South McAlester, and Ardmore.

The increased jurisdiction in criminal cases imposed an enormous amount of labor upon the judge of the United States court in this Territory. It had concurrent jurisdiction with the United States courts at Fort Smith, Ark., and Paris, Tex., in the enforcement of the law

prohibiting the introduction of intoxicating liquors, and of many other classes of cases punishable by imprisonment in the penitentiary.

By the act of March 1, 1895, the Indian Territory was divided into three judicial districts, and the appointment of two additional judges was authorized. The criminal jurisdiction was enlarged and a court of appeals established which is composed of the three judges of the several districts, and which occupies the same relation toward the Indian Territory which the supreme court of Arkansas does toward that State.

By a provision in the act of March 1, 1895, on the 1st day of September, 1896, all criminal jurisdiction theretofore exercised at Fort Smith, Ark., and Paris, Tex., was abolished, and complete civil and criminal jurisdiction was conferred upon the United States courts in the Indian Territory.

By the act of March 1, 1895, six United States commissioners were authorized to be appointed by the judges in each district. These commissioners have all the powers of commissioners in the States, and in addition thereto the powers and jurisdiction exercised by justices of the peace in the State of Arkansas. They have exclusive jurisdiction in civil cases where the amount in controversy is less than \$100, and concurrent jurisdiction in civil cases up to \$300 in actions founded upon contract. They have concurrent jurisdiction in criminal cases in all matters of misdemeanor to hear and determine them, and in felony cases they act as committing magistrates.

Since the organization of the courts in the Indian Territory reports have been made, as required by law, to the Department of Justice, as to the business transacted and the expense of the courts. If you will call upon the Attorney-General he will furnish you a statement in detail of the number of criminal cases tried in the United States court in the Indian Territory since it was created, the nature of each offense, and the result of each trial. I would gladly furnish you this information, but it is not in my possession. I can give you a general statement of the business transacted at Muscogee in the northern district of the Indian Territory.

Since the establishment of the court in 1889, 3,146 civil cases have been brought, and up to January 1, 1897, there were 468 civil cases pending on the docket, which shows that 2,678 civil cases have been disposed of during that time.

After the passage of the act of March 1, 1895, there were four places of holding court provided for in the northern district, and at the first term of court thereafter the cases on the Muscogee docket, the parties to which were nearer the other places of holding court, were transferred to those places, namely: Vinita, Tahlequah, and Miami, and since that time those cases have been disposed of at those places. The same may be said in reference to criminal cases, of which, on January 1, 1897, 4,013 had been brought at Muscogee since the establishment of the court, and on January 1, 1897, there were pending at Muscogee, 196 criminal cases, which shows that 3,817 criminal cases have been disposed of at Muscogee since the establishment of the court in 1889, which includes the number of cases transferred to the courts held at other places in the district.

By the act of March 1, 1895, United States commissioners were given concurrent jurisdiction with the United States courts to hear and determine all cases of misdemeanor. Prior to that time there were a great many misdemeanor cases disposed of in the United States court, but since that time very few misdemeanors have been tried in the

United States court, and the cases now pending are nearly all, or at least 90 per cent of them are, felony cases, or cases in which the punishment may be imprisonment in the penitentiary.

The abolition of the jurisdiction of the courts at Fort Smith, Ark., and Paris, Tex., as provided in the act of March 1, 1895, will relieve the courts at those places, hereafter, of all criminal business which came to them from the Indian Territory.

The report of Attorney-General Harmon for the fiscal year ending June 30, 1896, shows that the expenses of the United States courts for the western district of Arkansas and the eastern district of Texas, incurred and paid during the fiscal year ending June 30, 1896, were as follows:

Western district of Arkansas	\$302, 157. 72
Eastern district of Texas.....	214, 429. 61
Total	516, 587. 33

This statement does not exhibit the total expenses for the year, it only shows the expenses incurred and paid in that year; but as the accounts at the close of the year were not paid until after the expiration of the fiscal year, the sum paid after that time would be carried into the next report of the Attorney-General. That report will not be published until next year; but the expenses incurred in 1896 and paid after June 30, 1896, may be estimated by reference to the amount of expenses incurred in the year 1895, but paid in the year 1896, which expenses were as follows:

Western district of Arkansas	\$49, 955. 43
Eastern district of Texas.....	71, 626. 26
Total	121, 581. 69

These two amounts, added to the amount of expenses incurred and paid in the year, will aggregate \$638,168. This amount is approximately correct and shows the total expense to the Government for maintaining the two courts indicated for the year ending June 30, 1896.

Those best informed as to the business transacted in these courts are of opinion that at least 80 per cent of the cases tried and disposed of at Fort Smith, Ark., and Paris, Tex., came from the Indian Territory. If we deduct, therefore, 20 per cent of the expenses of those courts from the total amount of such expenses, it will be seen that there remains an expenditure of \$510,535 as the total expense to the Government on account of cases from the Indian Territory, disposed of at Fort Smith, Ark., and Paris, Tex., during the last fiscal year.

When the cases of which those courts had obtained jurisdiction prior to September 1, 1896, shall have been disposed of that entire expense will be saved to the Government, except in so far as the expenses of the courts in the Indian Territory will be increased by reason of the increased jurisdiction conferred upon those courts, which will not exceed \$100,000 a year, in the opinion of those best informed on the subject.

The number of criminal cases disposed of during the fiscal year ending June 30, 1896, at Fort Smith, Ark., and Paris, Tex., was as follows:

At Fort Smith, Ark.....	816
At Paris, Tex	386
Total	1, 202

It must be borne in mind, as stated above, that 80 per cent of the cases heretofore tried at Fort Smith, Ark., and Paris, Tex., must hereafter be tried in the Indian Territory.

This increase of jurisdiction renders it absolutely necessary that Congress should authorize the appointment of at least one additional judge in the Indian Territory, to be assigned to hold court where the business most requires it.

If Congress should enlarge the jurisdiction of this court so as to include any considerable portion of the jurisdiction now exercised by tribal courts, the services of a fifth judge would be absolutely necessary.

In reference to Senate bill 1833, entitled "An act to amend the act of March first, eighteen hundred and ninety-five, and other acts relating to the United States court in the Indian Territory, and for other purposes," I desire to call the attention of Congress to the necessity of its passage at once. This bill has already passed the Senate, and is now pending in the Judiciary Committee of the House of Representatives. Its passage would greatly facilitate the transaction of business. It was prepared by the three judges of the Indian Territory, after much consultation with the members of the bar of the Territory.

You ask my opinion regarding the advisability of enlarging the jurisdiction of the United States court in the Indian Territory, so as to embrace all questions between Indians, as well as between Indians and whites, and whether jurisdiction of Indian courts should be abolished.

While the jurisdiction now exercised by the United States court imposes much more business upon the judges than they are able to perform, if Congress will increase the number of judges and other officers necessary for the transaction of business, no greater reform or a more beneficent one could be enacted by Congress than that which would result from the entire abolition of the tribal courts, and the conferring upon the United States court of entire and complete jurisdiction over all persons in the Indian Territory in all cases, both civil and criminal.

The degree of civilization which has been attained by the citizens of the Five Civilized Tribes is far in advance of the crude and inefficient jurisdiction exercised by the tribal courts.

In the Cherokee Nation there are 9 district judges, who have jurisdiction in civil cases up to \$100 and in cases of misdemeanor. They each receive a salary of \$400 a year. There are 3 circuit judges who have civil and criminal jurisdiction except in capital cases, and they each receive a salary of \$600 a year. There are 3 supreme judges, who receive a salary of \$600 a year each. These supreme judges have appellate jurisdiction and original jurisdiction in capital cases. The salaries of these judges amount to \$7,200 a year. There are 9 sheriffs at \$400 each per year, and 9 prosecuting attorneys receiving the same salary, which increases the total cost of judges, prosecuting attorneys, and sheriffs to \$14,400 a year for salaries. There are less than 40,000 persons subject to their jurisdiction. By the census of 1890 there were only 31,000 citizens of the Cherokee Nation. The judges are not required to be learned in the law, and many of them, even on the supreme bench, have no legal accomplishments whatever.

The Cherokee Nation has a prison at Tahlequah, which is also a penitentiary.

In the Creek Nation there are 6 district judges, who receive a salary of \$400 each a year. There are 5 supreme judges, who each receive a salary of \$200 a year. There are 6 prosecuting attorneys, who each receive a salary of \$200 a year, and in addition to this salary they receive \$25 for each person convicted. Instead of a sheriff or marshal, they have what are called "light-horsemen," who execute all the processes of the court; they are divided into six companies, one for each district, each company consisting of one captain and four privates; the

captains each receive a salary of \$300 per year, and the privates receive a salary of \$275 per year.

It is not required of these judges that they should be learned in the law, and few of them have ever read a law book.

The only punishment inflicted for crime in the Creek Nation is whipping on the bare back and death by shooting. For theft, the punishment for the first offense is fifty lashes on the bare back, for the second offense one hundred lashes on the bare back, and for the third offense death by shooting. As stated before, they do not imprison their convicts. Sentence is executed immediately, unless it be a murder case, when the accused is held for a short time under guard.

In the Seminole Nation there are no courts. The council, which consists of 43 persons, hears and determines all controversies, civil and criminal, and imposes punishment by a majority vote. The accused is either whipped or shot. When whipping is ordered, the sentence is immediately carried into effect by the light horsemen, five in number, each of whom inflict upon the victim ten lashes. The death penalty is executed by the light-horsemen within a few days after conviction, the prisoner being kept under guard in the meantime.

I can not speak so fully in reference to the jurisdiction and judicial officers of the courts in the Choctaw and Chickasaw nations, as they are not in the district in which I preside.

The judicial anomaly existing in the Indian Territory is without any precedent in civilized countries. There are two sets of laws operating upon two classes of people who live in the same locality. These persons, some under one system of laws and some under another, are in daily contact with each other. They form business partnerships, buy and sell to each other, belong to the same churches and same benevolent societies, marry and intermarry, and in all respects and appearances are alike, except that they are classed as citizens of the Indian nations (90 per cent of whom are white people) and citizens of the United States, and are subject to different laws and different jurisdictions for their enforcement.

It is true that some of the laws of the United States, notably the law prohibiting the introduction and sale of intoxicating liquor, operate upon people, citizens, and noncitizens alike, but jurisdiction in such cases only serves to complicate and embarrass the courts in the administration of the law. It is most remarkable that so few conflicts of jurisdiction have heretofore arisen; this results from the fact that the officers of each of the courts have not endeavored to transcend their power, but in all questions of doubt have yielded the jurisdiction to the other court.

It may be said that the abolition of the Indian courts would violate the treaties heretofore adopted between the Indian tribes and the United States. Those treaties were mere legislative enactments, and were well enough at the time they were made. The Indians were then isolated, and but few white men were in their midst. It was highly proper that they should make their own laws and execute them in their own way; but by their own legislation they have admitted into the Indian Territory a large number of citizens of the United States, who are not subject to their laws.

The citizens of the United States in the Indian Territory outnumber the citizens of the Indian tribes by at least four to one, and perhaps five to one.

The Indians have advanced to a high state of civilization, and have entirely outgrown the crude, inefficient, and even barbarous laws which

they have enacted heretofore. Their systems are exceedingly expensive per capita, and notoriously inefficient.

While the laws of the United States are vigorously enforced against its citizens as far as the limited force of officers allowed will admit, yet the citizens of the nations in many cases go unwhipped of justice who are guilty of crimes for which, if they were citizens of the United States, or subject to the jurisdiction of the United States courts, they would be promptly and vigorously prosecuted.

I am confident that the most enlightened citizens of the Indian nations as a rule earnestly desire that full and complete jurisdiction should be given to the United States courts over controversies between Indians.

Indian citizens are competent jurors in the United States court. In this district the grand and petit juries are generally composed of as many citizens of the Indian nations as of noncitizens. At one term of court at Tahlequah every member of the grand jury was a citizen of the Cherokee Nation, and 15 of them were citizens by blood. The Indians have proven themselves competent and reliable jurors, and are seldom challenged on account of their nationality.

There is no principle so often commended by politicians and statesmen or none so favorably commented upon by the courts as this, "That all persons should be equal before the law." That principle is violated by the conditions which exist in the Indian Territory.

One class of people is subject to one system of laws and another class to another system. These systems are very different in criminal cases and impose different pains and penalties, and in civil cases afford different remedies. Yet all these people live in the same locality and are subject to such laws as the United States may make, in its discretion, for their government.

Every provision of law for the Indian Territory which puts the Indians under a different system of laws from the system which governs the white people is the result of Congressional action. Congress has made and Congress can unmake these inequalities and inconsistencies.

A proper regard for the best interest of society, and especially for the best interest of the citizens of the Indian tribes, demands the abolition of the tribal courts and the passage of an act subjecting all persons in the Indian Territory to the same system of laws and entitling them to the same rights and protection under the law.

I have the honor to be, very respectfully, your obedient servant,

WILLIAM M. SPRINGER.

Hon. R. F. PETTIGREW,

*Chairman Senate Committee on Indian Affairs,
Washington, D. C.*

SOUTH MCALESTER, IND. T.,
February 9, 1897.

MY DEAR SIR: Your letter to me, asking for certain information with reference to the United States courts in the Indian Territory, was received on yesterday. I handed it to Judge Yancy Lewis, who is my successor.

I served as judge of the United States court for the entire Indian Territory for about three years. I resigned some months ago and Judge Lewis was appointed in my stead.

As a resident of this country, however, as a practicing lawyer, and as one who has been very closely identified with the judicial government of this Territory, I shall embrace this opportunity to make a few suggestions with reference to the subject-matter of your letter.

I had not served twelve months upon the bench in this Territory before I became convinced that the dual government which the United States has attempted to maintain here was a great mistake; and that instead of building up, it had a tendency to retard the progress and civilization of our people.

No such anomaly exists anywhere else; and I believe that the hour has struck, and the time is ripe for change. I am convinced that the Indian courts are a complete failure, and that they ought to be totally abolished.

This ought to be done, not only that justice may be reached, but for the present and future good of the Indian himself. When the Indians determined their controversies among themselves, according to their customs and unwritten laws, there was something sturdy and honest about their methods and judgments. But the present judicial system among the Indians in this country is founded upon a written constitution and written laws. Their statutes are copied largely from the adjoining States, and their methods of procedure originated largely in the same way.

It would seem, therefore, that in order for justice to be reached through the aid of this machinery, judges and officers who make, expound, and enforce the laws ought at least to have some legal training. The fact is, however, that there are few, if any, of the judicial officers among the Indians who have any legal knowledge, or who have given any thought to the reason and philosophy of the laws which govern them. Their judges are unlearned; their courts are loose, irregular, and dreadfully uncertain, and I never had an Indian judgment brought before me for enforcement or revision which gave any sign that it had been rendered by a court of justice. The whole thing is a farce from beginning to end. These Indian courts seem to be managed and controlled by a few influential Indians; and I have heard more than one Indian judge testify in my court that all judicial officers in his tribe had their price. The Indian who kills his Indian neighbor, or who steals his neighbor's hog, has no fear of his native court. This state of affairs has affected seriously the public morality of these people, and, in my judgment, is doing them untold injury. The estates of dead persons among the Indians are looked upon as lawful prey, and it is seldom that the widow and the orphan ever realize anything. The only remedy is to put white people and Indians under the same government and control, and make them subject to the jurisdiction of the same court.

The Federal courts in this Territory have endeavored to protect the Indian, and all doubts have been resolved in his favor. Let all controversies be tried by the United States court, and in a few years Indians themselves will realize the great benefits which will accrue to them.

I could relate to you, if it were necessary, a great many instances which have come under my knowledge officially which demonstrate the correctness of what I have said. I believe that if the lands in this Territory were allotted; if the jurisdiction of the Indian courts were taken away entirely, as above suggested, and some sort of intelligent town-site and lease law adopted, that the Indian question would in a few years settle itself, and the Indians would be peacefully absorbed into the body politic of the Federal Government.

I beg your pardon for having trespassed so far upon your time.

Very respectfully, yours,

CHAS. B. STUART.

Hon. R. F. PETTIGREW,

Chairman Committee on Indian Affairs,

United States Senate, Washington, D. C.

UNITED STATES COURT,
NORTHERN DISTRICT OF INDIAN TERRITORY,
Muscogee, Ind. T., February 13, 1897.

MY DEAR SENATOR: I see from the newspapers this morning that the legislation in reference to the Indian Territory will be incorporated as an amendment to the Indian appropriation bill, and that the appointment of two additional judges will be authorized for the Indian Territory.

In my letter of yesterday I gave some statistics showing the necessity at this time for an additional judge in the Indian Territory. I desire to add to those statements.

The necessity for additional judges in the Indian Territory will be conclusively demonstrated by comparing the business transacted by the courts therein with the business transacted in other courts of the United States. During the year ending June 30, 1896, the number of civil and criminal cases disposed of or determined finally in the United States court for the Indian Territory, having three judges and holding court at thirteen different places in the Indian Territory, was as follows:

Civil cases.....	1, 446
Criminal cases.....	876
Total.....	2, 325

During the same year the number of civil and criminal cases disposed of or terminated in the United States courts in the six New England States was as follows:

Civil cases.....	440
Criminal cases.....	845
Total.....	1, 285

In those States there are six district judges and two circuit judges.

During the same year the number of civil and criminal cases disposed of or determined finally in the United States courts in the States of Illinois, Indiana, and Wisconsin, which constitute the seventh circuit, was as follows:

Civil cases.....	767
Criminal cases.....	1, 375
Total.....	2, 142

In those States there are five district judges and three circuit judges. One of the circuit judges was authorized by the last Congress on the ground that there was imperative necessity for another judge.

But the business transacted in the United States courts of those three great States was not as great during the last fiscal year, by 183 cases, as that transacted by the three judges in the Indian Territory during the same time.

The business transacted in the United States courts in the six New England States, having eight Federal judges, was only one-half as great during the last year as that transacted in the Indian Territory, where there are but three judges.

If judges were allowed in accordance with the business transacted, and if we accept the business in the seventh circuit as the standard, then there should be allowed eight judges in the Indian Territory; and if the business transacted in the New England States should be adopted as the standard, there should be allowed sixteen judges in the Indian Territory.

It may be said that the cases here are unimportant and require but little time. This is a mistake. The criminal cases are much more important, usually, than those tried in the States I have mentioned, and the civil suits, while not generally covering so large amounts, are generally contested as vigorously and persistently as are cases of like character in the States.

The three judges in the Indian Territory constitute a court of appeals, which meets at least twice a year. The business of this court is becoming very important, and is requiring much time and careful investigation on the part of the judges composing the court of appeals. The cases disposed of in the court of appeals do not enter into the statistics to which I have referred.

I beg pardon for again writing you upon this subject in view of the long letter which I addressed to you on yesterday; but knowing the great interest which you take in the subject, I assume that you will be interested in any facts bearing upon the subject.

I have obtained this information from the report of the Attorney-General for the year ending June 30, 1896.

I have the honor to be, very respectfully, your obedient servant,
WM. M. SPRINGER.

Hon. R. F. PETTIGREW,
Chairman Senate Committee on Indian Affairs,
Washington, D. C.

UNITED STATES COURT,
NORTHERN DISTRICT OF INDIAN TERRITORY,
Vinita, Ind. T., February 16, 1897.

MY DEAR SENATOR: Since writing you heretofore I have received from the clerks of the several districts in the Indian Territory a statement of the citizenship cases which have been, up to this time, appealed from the Dawes Commission and from the tribal citizenship courts to the United States court. The clerks have estimated carefully the number of persons covered by each appeal, and have reported the number of cases appealed, and their estimate of the number of persons covered by these cases is as follows:

Northern district 310 appeals, averaging 15 persons each, or 4,650 persons.

Central district, 241 appeals, averaging $7\frac{1}{2}$ persons each, or 1,807 persons.

Southern district, 151 appeals, averaging 10 persons each, or 1,510 persons.

Total number of appeals, 702. Total number of persons claiming citizenship in these cases, 7,967.

It is fair to estimate that each claimant, if allowed citizenship, would, on an average, receive 200 acres of land, when the lands are allotted, and that these lands are worth \$10 an acre.

On this estimate there would be 1,593,400 acres of land, and \$15,934,000 involved in these appealed cases.

I have also received from the clerk of the court of appeals a statement as to the number of the judges of tribal courts and their salaries in the Choctaw and Chickasaw nations.

That statement, in connection with the statement heretofore made in reference to the Cherokee and Creek nations, will show that the judges

of the tribal courts in the four nations mentioned and their salaries are as follows:

Cherokee Nation:

Nine district judges, at \$400 per year.....	\$3, 600
Three circuit judges, at \$600 per year.....	1, 800
Three supreme judges, at \$600 per year.....	1, 800
Total	<u>7, 200</u>

Creek Nation:

Six district judges, at \$400 per year.....	2, 400
Five supreme judges, at \$200 per year.....	1, 000
Total	<u>3, 400</u>

Choctaw Nation:

Three district judges, at \$600 per year.....	1, 800
Seventeen county judges, at \$400 per year.....	6, 800
Total	<u>8, 600</u>

Chickasaw Nation:

One district judge, at \$600 per year.....	600
Four county judges, at \$400 per year.....	1, 600
Total	<u>2, 200</u>

Total, 51 judges, receiving salaries amounting to \$21,400.

This shows the number of judges of the tribal courts and the salaries received in the four nations mentioned.

In the Cherokee Nation there are 9 sheriffs, who each receive a salary of \$400 per year, and 9 prosecuting attorneys, who each receive a salary of \$400 per year; making a total of salaries for sheriffs and prosecuting attorneys in the Cherokee Nation of \$7,200 per year.

In the Creek Nation there are 6 prosecuting attorneys, who each receive a salary of \$200 per year, and in addition \$25 for each conviction. The light-horsemen who take the place of sheriffs and marshals in the Creek Nation are divided into six companies; each company consists of one captain and four privates; the captains each receive a salary of \$300 per year and the privates each receive a salary of \$275 per year; making an aggregate paid to prosecuting attorneys and light-horsemen in the Creek Nation of \$9,600 per year.

I have no statement as to the salaries paid sheriffs and prosecuting attorneys in the Choctaw and Chickasaw nations, but if the sheriffs receive the same salaries as the captains of the light-horsemen in the Creek Nation, which is \$300 per year, at that rate the sheriffs in the Choctaw and Chickasaw nations would receive salaries amounting to \$6,300 per year.

The prosecuting attorneys in the Choctaw and Chickasaw nations receive in salaries, estimated, \$4,200.

This shows that the judges, prosecuting attorneys, sheriffs, and light-horsemen in the Cherokee, Creek, Choctaw, and Chickasaw nations receive annual salaries amounting to \$48,700.

As stated heretofore, in the Seminole Nation there are no judges. The nation being very small, the judicial business is transacted by the council. There are certain light-horsemen, however, who receive salaries. If we estimate the judicial salaries in the Seminole Nation at \$1,300, the total salaries received by the judges and officers of the court in the Five Civilized Tribes will amount to \$50,000 per year. This does not include the expense of guards, jurors, and witnesses, nor

the compensation of clerks. I have no data from which to make an estimate of such expense.

As there are less than 75,000 persons subject to the jurisdiction of the tribal courts, it will be seen that the cost of administering justice in the Five Civilized Tribes is very large, compared with the population subject to their jurisdiction.

Imprisonment is not a punishment for crime except in the Cherokee Nation. In that nation there is a jail and penitentiary at Tahlequah, and persons found guilty of crime may be imprisoned therein. Persons convicted of capital offenses in the Cherokee Nation and condemned to death are executed by hanging.

In the other nations the punishment for crime is either whipping on the bare back or death by shooting.

In the Creek Nation the punishment for theft, which embraces all kinds of larcenies, is fifty lashes on the bare back for the first offense, one hundred lashes on the bare back for the second offense, and death by shooting for the third offense. I am not advised as to whether larceny is punished in the Choctaw, Chickasaw, and Seminole nations other than by whipping.

I beg pardon for troubling you with this voluminous statement; but I assume that the facts will be of interest in the discussion of the proposed measure abolishing the tribal courts.

I have the honor to be, very respectfully, your obedient servant,
WILLIAM M. SPRINGER.

Hon. R. F. PETTIGREW,

*Chairman Committee on Indian Affairs, United States Senate,
Washington, D. C.*

UNITED STATES COURT,
INDIAN TERRITORY, SOUTHERN DISTRICT,
Ardmore, Ind. T., February 13, 1897.

DEAR SIR: Your letter of recent date came to this office while I was away from home holding court in a remote portion of the district; hence the delay in answering.

You ask me as to the amount and character of business transacted by the courts in the Indian Territory since they were established, and also as to my opinion on the question of abolishing the tribal courts and giving the United States courts here jurisdiction of all matters civil and criminal which arise in the Indian Territory. It will be impossible for me to give you all the data you want, within a reasonable time, as I do not have convenient access to the records. I can give you the work of the three districts for the last fiscal year, and I can refer you to the Attorney-General's report for the history of the work of these courts for the previous fiscal years. If I had the reports I would make the analysis for you myself.

You will remember that the first United States court established in the Indian Territory was provided for by the act of Congress of March 1, 1889, and was organized at Muskogee in the spring of that year, with limited jurisdiction, however. By the act of May 2, 1890, they divided the Territory into three judicial divisions, and established courts at South McAlester, in the Choctaw Nation, and Ardmore, in the Chickasaw Nation. March 1, 1895, Congress created three districts, the northern, central, and southern, and for the appointment of two additional judges; provided for the holding of court at four places in the northern

district, four in the central district, and five in the southern district. Judge Springer is on the bench in the northern district, Judge Lewis in the central district, and I am "holding the fort" in the southern district.

That act provided that on the 1st of September, 1896, the courts in the Indian Territory should have jurisdiction of all offenses and all causes of whatever character, except such as were cognizable in the tribal courts. Up to that date the courts at Fort Smith, Ark., and Paris, Tex., had exclusive jurisdiction of the higher class of felonies committed by or against any citizen of the United States.

The district courts in the Indian Territory now have jurisdiction of every character of crime or cause of action of a Federal nature, except in maritime and admiralty matters, and no such cases can arise in this country. In addition to this jurisdiction they have jurisdiction of every character of civil action, law or equity, or criminal prosecution which belong to the State courts of Arkansas. Besides the district court is a probate court; has jurisdiction over the estates of deceased persons, guardianships, and administrations. By the act of Congress in relation to the question of citizenship, it has appellate jurisdiction of cases tried by the Dawes Commission. It has original jurisdiction of every class of misdemeanors, and appellate jurisdiction of such offenses as may be prosecuted before the United States commissioners. It has appellate jurisdiction of all civil suits tried by the commissioners in which the judgment exceeds \$20. The commissioner's court has exclusive jurisdiction of all civil suits where the amount in controversy does not exceed \$100, and concurrent jurisdiction with the district court of all matters arising out of contracts where the amount in controversy does not exceed \$300.

Separate systems of law and equity prevail here, and the judge is both a chancellor and the presiding judge in a court of law; and the three judges in the Indian Territory constitute a court of appeals. Besides all this the judge has to marry people, appoint notaries public, make and grant requisitions for fugitives, appoint commissioners and constables, and designate the commissioners' districts, and do a great many other legal, legislative, and executive chores not imposed on any other judicial officers under the sun. He fixes the times of holding his own court and the duration of the term.

In this district, for instance, eight months are given to the trial of causes; January and June to the appellate court work; July and August are generally devoted to the work which devolves upon him as a chancellor.

In the northern district of the Indian Territory, for the fiscal year ending July 1, 1896, there were 78 convictions, 9 acquittals, 117 dismissed, and 49 miscellaneous convictions; in criminal cases, 3 acquittals, and 40 discontinued and dismissed, making a total of 295 criminal cases disposed of.

In the central district there were 231 criminal cases disposed of, 97 convictions and 27 acquittals, and 25 dismissed and quashed.

In the southern district there were 352 cases disposed of, 151 convictions, 21 acquittals, and 179 dismissed and quashed.

On the 1st of July, 1896, the criminal cases pending in the northern district were 206, in the middle district, 267, in the southern district, 299.

The civil suits commenced and terminated during the fiscal year, and those still pending July 1, 1896, are as follows: Commenced in the northern district 430, in the central district 355, in the southern

district 772. There were terminated in the northern district 380, in the central district 282, in the southern district 733.

There were pending July 1, 1896, in the northern district 722, in the central district 362, in the southern district 595.

These figures are taken from the last annual report of the Attorney-General, and will give you a fair idea of the work of these courts.

There will be a considerable increase of higher felonies for this fiscal year, because on the 1st of September, 1896, these courts acquired full jurisdiction of all such offenses which were heretofore prosecuted in the courts in Arkansas and Texas.

The proposition to put all the litigation which may arise in the Indian Territory, without regard to citizenship, in the United States courts in the Indian Territory has been discussed pretty generally here. To do that would increase the work of these courts a great deal, and you would necessarily have to increase the number of judges. Two additional judges, I suppose, would be sufficient. As the courts are now constituted, I feel satisfied that we can handle the business in this district. The dockets in the northern district, however, are overloaded. The consensus of opinion in this country is that the tribal courts are wholly inefficient. I do not know enough about them, however, to have any fixed opinion on the subject. The system under which these courts operate is a liberal and a flexible one, and I have found the juries to be efficient, intelligent, and courageous in the discharge of their duties in handling both the civil and the criminal business.

Quite a number of negroes living in this country, a much lower class than the Indians, have been prosecuted in my court, and have been litigants on the civil side of the docket, and they have invariably fared as well at the hands of the juries as any class of people.

I am of opinion that the poor and the helpless and the illiterate Indian will fare better in the United States court than he does in the tribal courts. The wealthy, intelligent Indian and the mixed bloods can take care of themselves in any court, and they will be apt to obtain all they are entitled to. I am inclined to the opinion that the pending measure would be beneficial to the Indian country, and would lead ultimately to a solution of the troublesome questions presented by the Indian Territory.

Very respectfully, your obedient servant,

C. B. KILGORE.

Hon. R. F. PETTIGREW,
United States Senate, Washington, D. C.

JUDGMENTS IN INDIAN DEPREDAATION CASES.

FEBRUARY 27, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING ATTORNEY-GENERAL, TRANSMITTING, IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 25, 1897, A LIST OF THE JUDGMENTS RENDERED BY THE COURT OF CLAIMS IN FAVOR OF CLAIMANTS IN INDIAN DEPREDAATION CASES NOT HERETOFORE REPORTED.

DEPARTMENT OF JUSTICE,
Washington, D. C., February 27, 1897.

SIR: I am in receipt of the following resolution of the Senate under date of February 25:

Resolved, That the Attorney-General be directed to transmit to the Senate a list of the judgments of the Court of Claims in Indian depredation cases rendered up to and including the 27th instant, and requiring appropriations at the present session of Congress, not already transmitted.

In compliance with the terms of said resolution, I herewith transmit a list of the judgments rendered by the Court of Claims in favor of claimants in Indian depredation cases, not heretofore reported.

Respectfully,

HOLMES CONRAD,
Acting Attorney-General.

The PRESIDENT OF THE SENATE,
Washington, D. C.

List of judgments in favor of claimants in Indian depredation cases.

In whose favor rendered.	Amount claimed.	Amount of judgment.	Date of judgment.
Joel W. Curtis	\$48,300.00	\$12,195.00	Feb. 15, 1897
Severo M. Vigil, administrator Manuel Vigil, deceased	405.00	405.00	Do.
Joseph S. Nelson	850.00	625.00	Do.
Moses Fallowill	700.00	500.00	Do.
Patrick Murray	1,575.00	1,200.00	Do.
Thomas W. Gamel	2,241.00	1,432.00	Do.
Diana Coffey, for herself and as administratrix of Chas. O. Coffey, deceased	600.00	500.00	Do.
Daniel S. Leatherwood	100.00	100.00	Do.
Mary Scroggins	350.00	300.00	Do.
David Rhine, executor of Abraham Rhine, deceased	10,058.00	1,016.66	Do.
John F. Coad	11,452.50	9,055.00	Do.
William Riley Weldon	1,350.00	1,300.00	Do.
William Maden	2,025.00	945.00	Do.
David P. McCracken	100.00	100.00	Do.

List of judgments in favor of claimants in Indian depredation cases—Continued.

In whose favor rendered.	Amount claimed.	Amount of judgment.	Date of judgment.
Aaron Brown	\$750.00	\$600.00	Feb. 15, 1897
James L. Harding.....	300.00	225.00	Do.
John F. Kincaid and Levant F. Thompson, executors of William M. Kincaid, deceased.....	2,838.50	2,160.50	Do.
Edward L. Walker.....	1,075.00	945.00	Feb. 16, 1897
Adam Clingman.....	200.00	180.00	Do.
Antonio Cordova.....	1,645.00	1,270.00	Do.
Robert Carter.....	200.00	150.00	Feb. 17, 1897
James T. Coursey and Emma J. Coursey.....	740.00	410.00	Do.
George W. Grant.....	1,025.00	650.00	Do.
Brice Woody.....	1,250.00	1,050.00	Feb. 18, 1897
W. Scott Humason, surviving partner Currence & Humason..	1,022.20	1,022.00	Feb. 20, 1897
Emiline Mackey.....	950.00	750.00	Do.
Walter Wallace.....	840.00	700.00	Do.
Robert L. Pooler.....	5,425.00	3,710.00	Do.
Charles H. Hittson.....	5,200.00	4,400.00	Do.
Eutimio Montoya, Francisco Garcia de Montoya, and Jose A. Montoya, administrators of Estanislao Montoya, deceased..	720.00	600.00	Feb. 23, 1897
James B. Davenport, surviving partner of James B. and John W. Davenport	7,670.00	5,175.00	Do.
Atanasio Romero, administrator Anastacio Sandoval, deceased..	8,299.00	3,075.00	Do.
A. H. Whitlock.....	1,700.00	665.00	Do.
Fleming P. Jennings.....	265.00	250.00	Feb. 24, 1897
Robert H. Flippin.....	710.00	560.00	Feb. 25, 1897
John N. Copeland, administrator William Copeland, deceased..	2,095.00	745.00	Do.
Jacobo Yrisarri, administrator Mariano Yrisarri, deceased....	15,630.00	7,700.00	Do.
Joshua Gorham	1,590.00	1,390.00	June 22, 1893

(The last-named judgment was omitted from those reported in 1893 for appropriation, because an appeal was then pending in the Supreme Court. The judgment of the Court of Claims was affirmed by the Supreme Court on February 15, 1897. In the meanwhile Joshua Gorham has died. The mandate has not yet reached the Court of Claims.)

CONDITION OF AFFAIRS IN CUBA.

HEARING

BEFORE A

SUBCOMMITTEE

OF THE

COMMITTEE ON FOREIGN RELATIONS,

COMPOSED OF

Senators Davis and Morgan, in Pursuance of Senate Resolution.

FEBRUARY 27, 1897.—Reported by Mr. GORMAN, from the Committee on Printing,
and ordered to be printed.

WASHINGTON:

GOVERNMENT PRINTING OFFICE.

1897.

IN THE SENATE OF THE UNITED STATES,
May 16, 1896.

Resolved, That the Committee on Foreign Relations is directed to inquire and report to the Senate what are the rights of the United States, under our treaties with Spain, as to the trial of our citizens arrested in Cuba and now under condemnation and sentenced to death by the Spanish military tribunals, for alleged offenses of a political or other character against the Spanish laws or Government, and to report on that subject by bill or otherwise.

2. That the Secretary of State is directed to send to the Senate literal copies of the original text of a protocol of conference and declarations concerning judicial procedure, signed by Caleb Cushing, as minister of the United States, and Señor Don Fernando Y. Collantes, minister of the King of Spain, on January twelfth, eighteen hundred and seventy-seven, as the same was executed and interchanged, both in the English and Spanish languages; and that he will inform the Senate whether the established or agreed original text of said protocol is in the English or the Spanish language.

3. That the President is requested, if it is not incompatible with the public service, to communicate to the Senate copies of any correspondence that has taken place between the Governments of Spain and the United States respecting the said protocol and its bearing or effect upon the trial and condemnation of citizens of the United States who were recently captured on or near the vessel called the *Competitor*, which was seized under Spanish authority in Cuban waters, or near to that island.

Attest:

WM. R. COX, *Secretary*.

CONDITION OF AFFAIRS IN CUBA.

WEDNESDAY, *May 20, 1896.*

STATEMENT OF FREDERICK W. LAWRENCE.

FREDERICK W. LAWRENCE was duly sworn.

By Senator DAVIS:

Q. What is your full name?—A. Frederick W. Lawrence.

Q. Where do you live?—A. In New York City at present.

Q. What is your employment?—A. Correspondent of the *New York Journal*.

Q. How long have you been so employed?—A. Since December.

Q. Are you a citizen of the United States?—A. Yes, sir.

Q. Have you visited the Island of Cuba recently?—A. Yes, sir.

Q. When did you arrive there?—A. Nine weeks ago last Saturday.

Q. Until when did you remain?—A. A week ago last Sunday.

Q. In what capacity?—A. As correspondent to the *Journal*.

Q. In what place in Cuba did you remain?—A. At Habana.

Q. Were you during your stay in Cuba at any time within the lines of the insurgent troops?—A. No, sir; I made no effort to disobey the laws of the Government of Cuba.

Q. Did you make any excursions from Habana?—A. Yes, sir.

Q. How many?—A. Three.

Q. State to what places and the distance to each place.—A. To Guines, a distance of about 40 miles; Guanabacoa, a distance of about 7 miles, and to Marinoa, a distance of about 9 miles.

Q. Were all of these places within the Spanish line?—A. Every one of them; yes, sir; that is to say, the Spanish claimed them, and at the time I went to them they were; but recently the insurgents have gone to at least one of them, that is Marinoa.

Q. Do you mean permanently advanced their line?—A. No, sir; they have no lines; that is, their columns have gone in and got out again; they have broken the Spanish lines.

Q. Under what circumstances did you leave the Island of Cuba?—A. I was expelled by order of the Captain-General.

Q. Was that order verbal or in writing?—A. In writing.

Q. Have you a copy of it?—A. I have it in New York.

Q. Will you furnish a copy to the committee?—A. With pleasure.

Q. When was that order delivered to you?—A. It was delivered to me on Thursday before I left Habana.

Q. Does the order allege for what reason it was given?—A. Yes, sir.

Q. What reason was given?—A. It is alleged that both James Creelman and myself, he being named in the same order, were expelled from

the Island of Cuba for sending to our papers false notices of cruelties by the Spanish troops, and inventing news of insurgent victories.

Q. Were those statements true?—A. Not a single statement made in the order of deportation is true, except the words that we are the correspondents. I so informed the Captain-General in writing before I left there.

Q. Did you receive any response?—A. No, sir.

Q. When you arrived in Habana, which I understand you to say was March 20, 1896, did you place yourself in communication with the Spanish authorities?—A. Yes, sir.

Q. For what purpose did you place yourself in communication with them?—A. For the purpose of gathering information concerning the situation of affairs there and gathering news that would be of interest to the people of this country or to my paper.

Q. Did you state your purpose to them?—A. I made no statement to them, but made no attempt to conceal from them my purpose, and openly and avowedly stated I was there for the purpose of obtaining information.

Q. Did you desire to obtain information from the Spanish authorities as to the condition of affairs in Cuba?—A. Yes, sir.

Q. With what success?—A. Very little; absolutely none as far as the true condition of affairs was concerned.

Q. Did they give you at all their version of current events?—A. Yes, sir.

Q. Did you ascertain whether such information was reliable or unreliable?—A. At the time, having no other information at hand, I was compelled to accept it as reliable, and so sent it, but found afterwards that statements given to me were untrue.

Q. From what source did you find those statements were untrue?—A. From gentlemen who came into Habana and also gentlemen in Habana.

Q. From gentlemen who came from where?—A. From gentlemen who came into Habana from where the scene of action was laid.

Q. From territory occupied by the insurgents?—A. Yes, sir.

Q. In what respects, stating generally, did you find this information to be unreliable?—A. As to battles fought.

Q. Well, in what respect as to them?—A. The military censor is the man who gives out the Government reports of engagements between the Spanish and insurgents. He has hours for doing it and at those hours all the newspaper men in Habana are supposed to be present. He edits them, and the Habana newspapers are compelled to print them. Before they are written up they are compelled to be submitted to the censor, who arranges them as to what he wishes the public to know, and if the published news is changed in the smallest particular from the way it is handed in, the papers are subject to fine and the editors are subject to imprisonment. I found that in the reports of skirmishes the military censor invariably reported that the Spanish had killed from three to a dozen, or perhaps more, men, and had captured so many horses or had killed so many horses and had wounded so many, while communication from the ranks of the insurgents to their friends in Habana would be entirely the reverse. The news I received, then, would be entirely different from that given out from the Spanish censor. That was invariably the case.

Q. The result, then, was you could not know which was nearest the truth?—A. Personally I have no knowledge of it. I did not go outside the lines and did not count the dead and dying or anything of that

kind; but the gentlemen who would bring me information—and I did not have to seek for it, they were only too willing to give it to me—were men of the very highest character. They were men whose word is certain to be believed, at least on an equality with that of any man who walks the earth. I found that those gentlemen who brought me such information were conservative; that sometimes they would give the Spanish a victory and sometimes they would give the insurgent side a victory in these little skirmishes, while the news given us by the Spanish censor invariably gave the Spanish a victory.

Q. Were these gentlemen on the side of the insurgents?—A. Yes, sir.

Q. So for that reason you were inclined to give their account greater credit than that of the censor?—A. Yes, sir; and for this reason I found the sympathizers with the insurgents were more conservative than the other; that is, they were willing to concede a battle now and then to the other side, while the Spanish side of the news was that of a Spanish victory.

Q. Was there anything in the Spanish account about the capture of Pinar del Rio?—A. The censor did not report the capture of Pinar del Rio, and in fact when it was reported that it was captured it was vehemently denied by the authorities.

Q. Did the censor give out that Maceo had attacked that town and been repulsed?—A. No, sir.

Q. I see in your report to Secretary Olney you say that “the Government gave out the announcement that Maceo had attacked the town and been repulsed in short order and with great loss, the Spanish loss not being stated.”—A. That statement is made upon the statement of William Shaw Bowen, as ardent an admirer of Cuba as ever stepped foot in Habana. He told me that within a week after the account of the capture of Pinar del Rio was printed Weyler had informed him personally that the Cubans had not only attacked Pinar del Rio, but had been repulsed.

Q. Did you report that?—A. Yes, sir.

Q. Did you afterwards state that was untrue?—A. From all the information I could gather from people who came in from Pinar del Rio—Cuban sympathizers, it is true, but honorable men—the city of Pinar del Rio was held for nearly two hours, and they created great destruction and were not driven off, but vacated the town of their own accord.

Q. Do you know anything of your own knowledge in regard to the treatment of American citizens by the Spanish authorities during your stay?—A. Do you mean by that was I personally present when ill treatment was inflicted upon them or have I the knowledge from the men themselves?

Q. Just answer that. Did you personally see or know of ill treatment of American citizens?—A. Yes, sir. I found Mr. Walter Grant Dygert, a citizen of the United States, from the State of Illinois, imprisoned at the prison at Guines, in a little cell, probably not half as large as this room, in which there were 22 other men and in which there were no sanitary arrangements worth speaking of.

Q. That would be a room about 16 by 18 feet. How many people were there with him?—A. Twenty-two; he made 23.

Q. Closely confined there all the while?—A. Yes, sir.

Q. What was the condition of the room as to cleanliness?—A. It was simply filthy. The people with him were the dirtiest men I ever looked on in my life, and I have been in a great many American prisons.

Q. How long had he been there?—A. About three months.

Q. How long did he remain there after you discovered him?—A. About two weeks.

Q. What was the charge made against him?—A. The charge made against him was that he was outside the territory designated as that proper to travel in by General Weyler. He was found on the outskirts of the city of Guines. That was one charge against him, and the other charge made against him was that he was William Gold, otherwise known as "Inglesito."

Q. Had there been any investigation made by the Spanish authorities?—Yes, sir.

Q. Any investigation at which he was present?—A. Yes, sir; and testimony taken; and Marquis Palmerola told me the Government was thoroughly satisfied of his innocence for two weeks. I saw the Marquis on a Saturday, and he told me they would have released him the day before or the day before that but for the fact that they were holy days—Holy Thursday and Holy Friday—and the Spanish do nothing on those days.

Q. Did you know anything about the kind of food furnished him?—A. Only what Mr. Dygert told me.

Q. What did he say?—A. He told me the food was execrable. He told me that but for the fact that the commandant of the prison, whose name I forget, but it is in my papers, was a pretty decent sort of a fellow, he would have committed suicide long before he saw me.

Q. Did these prisoners take any exercise?—A. I did not ask about that. They were in a cell with iron bars on the side; that is, they could get air, but not sufficient in that cell.

Q. Was it a stone cell?—A. Yes, sir; with the iron bars on one side.

Q. What kind of a floor?—A. Stone floor. Mr. Dygert told me at the time I was conversing with him that at that very moment he was crawling with vermin, and his scratching and conduct generally was pretty good evidence that he was.

By Senator MORGAN:

Q. What were the sleeping arrangements?—A. None. They had to sleep on the floor.

Q. They furnished him blankets, I suppose?—A. No, sir; that was perhaps unnecessary, for I suppose blankets would have been too warm.

By Senator DAVIS:

Q. Did he speak of being allowed a change of clothing?—A. He had not been allowed a change of clothing during his imprisonment.

Q. How long before his release was it that Marquis Palmerola told you that the Government had known his innocence?—A. He told me the Government had known it two weeks absolutely.

Q. That was three weeks before his discharge?—A. The Marquis Palmerola told me that the Government had been absolutely sure of his innocence two weeks prior to the day I saw the Marquis.

Q. Then that makes about four weeks after they knew or confessed they knew he was innocent?—A. Yes, sir; and the testimony had been in the possession of Marquis Palmerola over two months.

Q. Did he tell you why he had not examined that testimony until after it had been two months in his hands?—A. It was not his business to examine it.

Q. Do you give that to me as his answer or your reason?—A. My reason—

Q. No; answer my question. Did he tell you why he had not exam-

ined that testimony for two months after it had been in his hands?—
A. He did not.

Q. State any other instances of maltreatment of American citizens by the Spanish authorities there.—A. If you will permit me to state what the American citizens told me——

Q. I will cover that by a subsequent question.—A. I saw no other ill treatment, unless you consider the expulsion of American citizens from Habana ill treatment.

Q. Did you see any expulsion of American citizens?—A. Yes, sir. Mr. Rapley, correspondent of the New York Mail and Express, was resting in his bed——

Q. Did you see this?—A. No; I did not.

Q. Well, during your stay in Habana did you learn from sources you considered reliable of other instances of ill treatment of citizens of the United States by the Spanish authorities? If so, go on and state them, and give your sources of information.—A. Mr. Rapley, the correspondent of the New York Mail and Express, came to me one day about two or three weeks after I arrived at Habana and told me that upon the night before, between 2 and 3 o'clock in the morning, he had been aroused in his bed by the chief of police and three or four commissioners—police inspectors—and had been served with a notice of deportation. He showed me the notice, but it was in Spanish and I could only guess at its contents. He applied to Consul-General Williams to have his time extended. He was to leave on the first steamer, and the first steamer sailed on the following day and he could not get ready to go on it, so he applied to Consul-General Williams for permission to prolong his stay until the following steamer, and Mr. Williams secured him that permission. He left on the following steamer.

Q. What was the alleged cause?—A. Sending false information to his paper. That has been the reason that General Weyler has alleged for the expulsion of all the correspondents whom he has expelled. There were four of us expelled.

Q. Go on and give the next instance.—A. The case of Mr. Darling, an artist for Harper's Weekly, who has been arrested in territory that is not included in the Captain-General's edict, released each time, but detained from one hour to several hours—by several hours I mean eight or ten. I am not certain about the American citizenship of Mr. O'Leary, so I will not state his case. Mr. Creelman, of the New York Herald, was expelled at the same time I was; forbidden to remain longer on the island.

Q. Upon what charge?—A. Upon the charge of sending false information as to the state of affairs in Cuba. I was expelled for the same reason at the same time.

Q. Now, these cases are those of newspaper correspondents. I apply my main question to ill treatment of other American citizens, resident or temporary, of the island.—A. The cases of Alfred Laborde and Milton.

Q. Citizens of the United States?—A. Citizens of the United States.

Q. Is your information derived from what they told you?—A. No, sir.

Q. Who did you get it from?—A. From the testimony produced at the court-martial and from Vice-Consul Joseph Springer.

Q. With what were these two men charged?—A. They were charged with bringing a filibustering expedition into the Island of Cuba.

Q. Is that the case of the *Competitor*?—A. Yes, sir. Those two men, American citizens, were arrested, and, so far as the testimony of the

men who captured them goes, had no arms upon their persons. They were brought to Habana, tried by general court-martial against the energetic protest of the United States consul-general there, condemned to death, and, as I am informed, their sentence delayed by the Madrid government at the request of the Secretary of State, and still held in jail.

Q. Do you know whether they were assisted by counsel at their trial?—A. From the American point of view, they were not assisted by counsel at their trial; from the Spanish military point of view, they were.

Q. In what way?—A. They had a lieutenant in the navy, who asked no questions, who cross-examined no witnesses. There were none produced, except Captain Butron and the other officers of the *Mensajerra*.

Q. Did this lieutenant advance by way of plea that these men were American citizens?—A. He stated in his plea that they were American citizens.

Q. Upon what grounds did he rest their defense?—A. He asked for mercy for Laborde, for the illustrious place his name had borne in the Spanish navy, and on account of the things his people had done for the Spanish Government.

Q. And the other man?—A. He asked for mercy for him, stating that he was not there for the purpose of fighting, but merely in his business as a newspaper correspondent.

Q. Do you know whether it appeared on that trial how far the *Competitor* was from the shore of Cuba when she was captured?—A. I do not remember.

Q. Do you know whether there was any evidence of that given on the trial?—A. At the trial there was no evidence given whatever.

Q. I mean as to the distance?—A. As to the distance or anything else.

Q. Have you any information as to the distance she was from the shore?—A. As to the exact distance, I do not know whether she was within the 3-mile limit or not.

Q. Was this trial secret or public?—A. Public.

Q. Did you attend it?—A. Yes, sir.

Q. Were the men in irons when tried?—A. No, sir.

Q. How long did it last?—A. From a little after 8 o'clock in the morning until afternoon.

Q. How many were tried?—A. Five, at once.

Q. How long was this after their arrest?—A. It was in the neighborhood of a week, more or less.

Q. Was any application made at the trial for postponement until they could communicate with their Government?—A. No, sir. Mr. Williams, however, saw them before the trial commenced and asked the judge-advocate in my presence what sort of a trial it was to be, and the judge-advocate replied, "A summary trial." Mr. Williams then replied, "I refuse to lend any official recognition to this trial. I protest against it;" and left.

Q. So that no officer of the consular service of the United States was present at that trial?—A. No, sir.

Q. In what manner was this lieutenant appointed?—A. I do not know. If you care for presumption, I presume the judge-advocate appointed him.

Q. Was he appointed as deputy judge-advocate?—A. No; he was appointed as what they call "defensor." There was a prosecutor also.

He made his plea in about the same way as one of our district attorneys would make a plea in this country.

Q. Well, this person was an officer in the Spanish navy, was he?—

A. Oh, yes. He asked no questions, however. Neither the prosecutor nor the counsel for defense asked a single question of anybody. There was not a particle of testimony offered except the officers of the *Mensajerra*.

Q. Was there any interpreter present?—A. There was an interpreter present, but he did not make his presence known to the prisoners until they were asked whether they had anything to say in their own defense. These long statements were read by the judge-advocate in Spanish.

Q. These long statements of the prosecuting officer, you mean, was the evidence given in Spanish and translated in their hearing?—A. No, sir.

Q. Did their defender communicate to them the substance of it?—A. He did not utter one single word to them.

Q. Can he speak English?—A. I did not hear him.

Q. Have you any reason to think he could speak the English language?—A. No, sir; I have every reason to think he could not.

Q. So that all this long harangue was delivered in Spanish?—A. Yes, sir.

Q. And then they were asked what they had to say?—A. Yes, sir; what they had to say in defense.

Q. Did he ask that in English?—A. He did not even do that. The presiding officer of the court-martial—there were ten of them, what we might call the jury—the presiding officer of that body said to Laborde in Spanish, "What have you to say?" He said a few words, and so it went until the last man was reached—William Gilday—and the presiding officer spoke to him and he did not understand him, and then the interpreter got up and said, "Do you wish to say anything?" Gilday arose and said, "All I have got to say is I do not understand one word that has been said to-day, for me or against me, and at any rate I appeal to both the British and American consuls."

Q. Now, how many of these prisoners could not speak or understand Spanish?—A. I believe there were two who could not speak and understand Spanish.

Q. Which two?—A. Milton and Gilday. Laborde understood Spanish.

Q. Milton was the American and Gilday the naturalized American subject?—A. Yes, sir; I believe there is some question whether Gilday is a British subject or American. The British consul claims that he is a naturalized American, but he himself says he never renounced his allegiance to Great Britain.

Q. How long was it after they were asked whether they had anything to say before the trial terminated?—A. The trial terminated immediately upon the last man having made his statement.

Q. And when was it the defense summed up in their behalf, if at all?—A. Immediately after the prosecution.

Q. How long did it take him to conclude that summing up?—A. It took probably fifteen minutes.

By Senator MORGAN:

Q. But his appeal, as I understand you, was entirely for mercy and not for justification.—A. All for mercy, except you can call his plea for Milton that he was not there as a filibuster, but merely as a newspaper correspondent.

By Senator DAVIS:

Q. Did Milton undertake to give any account of why he was there?—

A. Yes, sir.

Q. What account did he give?—A. He stated he came aboard the schooner as the correspondent of the Jacksonville Times-Union.

Q. Did he state he knew anything of the mission of the schooner?—

A. He did not say. That is the statement that was made by him several days before the trial.

Q. What did Gilday have to say for himself?—A. He said he was a poor sailor earning his living, and he went aboard thinking the schooner was bound from Key West—I think it was for Sable Keys, going fishing; that he knew nothing of the nature of the business until after it started. Laborde claimed that his ship had been hired by some person for the purpose of going to Sable Keys for the purpose of fishing there, and he was simply held up by a revolver and told to go to Cuba.

Q. Laborde was the owner of the schooner?—A. No; he was the captain.

By Senator MORGAN:

Q. What did you ascertain to be the general feeling of the native Cubans you saw as to this rebellion or war?—A. The Cubans, all the natives of Cuba that I have seen who in the past have possessed any wealth at all, told me they had wrecked themselves to help along the war.

Q. I have seen statements in the papers about volunteer companies and regiments and perhaps brigades of native Cubans under the Spanish flag. Did you see anything of that sort there?—A. Yes, sir.

Q. To what extent, probably, were those enlistments?—A. Well, just giving a rough estimate—I never looked into the official records—but giving a rough guess, judging by the numbers of volunteers I saw in the streets, I should judge there were 3,000 volunteers.

Q. Were they volunteers for service in the field or for particular duty?—A. No, sir; they were volunteers for service in and around the outskirts of the city of Habana, guarding the banks, public buildings, theaters, and the like.

By Senator DAVIS:

Q. A sort of gendarmes?—A. That is it.

By Senator MORGAN:

Q. Sort of home guards?—A. Yes, sir. In fact they were not required to go into the field at all. Several of the volunteers who are now disgusted with the step they have taken would willingly join the insurgents.

Q. Have any of these volunteer organizations been sent to the trocha?—A. I could not find out. I tried to find out, but the Government authorities would give me no information on the subject at all.

Q. What impression did the Spanish make upon you as to the character of the troops—the people employed in the army—as to whether they were substantial men, and men of intelligence and physical vigor, and so on?—A. They impressed me as being very patriotic and very courageous men—the Spanish themselves—but with one drawback, and that was lack of patriotism, caused, as they told me—that is, the privates, not the officers—caused by the fact that they are illy fed, illy clad, compelled to do the most menial service, and have not been paid for nearly five months. You go into the streets of Habana any hour of the night and if you look like a man of any means at all you will be asked for alms by Spanish soldiers. I used to go along there and give them 10

cents or a nickel or a quarter, whatever I might happen to have in my pocket when they asked me, and at the same time say "Americano," knowing that there was no knowing how long it might be before I would be in the hands of those men, and wished to be friendly with them. So whenever I gave them anything, I always said "Americano."

By Senator DAVIS:

Q. In the course of that trial, were any attacks made by the prosecuting officer upon the United States Government?—A. No, sir.

By Senator MORGAN:

Q. While in Cuba did you visit any places around Habana?—A. Only the places I have named.

Q. How far out?—A. Forty miles.

Q. Did you leave the railroad track?—A. I did not leave the railroad track. I got off the train at the town of Guines and went about my business, which was to see Walter Dygert.

Q. Did you observe, or could you observe, the condition of the people in the country?—A. Yes, sir.

Q. What was it?—A. Wretched. Take a few coppers from your pocket and throw them in the street and half the population would scramble for them. I remember now where I went down one morning to the club, and a little child playing around there attracted my attention. I gave it a few coppers and soon a dozen people came out and begged, saying they had no food. I went out on the drive one morning and went into a grocery store and was besieged by people who wanted me to buy groceries for them.

Q. What is the currency about Habana?—A. Copper, silver, and gold.

Q. No paper money?—A. No; no paper money, except now and then an American greenback.

Q. They have no national paper currency?—A. No, sir; not in Habana, at least.

By Senator DAVIS:

Q. Is there anything else of detail you would like to state that we have not interrogated you about?—A. I can not think of anything that would be of interest. Before leaving there I wrote to the Captain-General offering to prove to him every line I had written.

By Senator MORGAN:

Q. What, in your judgment, derived from what you ascertained while in the Island of Cuba, is the prospect of success of the insurgent government?—A. A very long fight and the ultimate success of the insurgent government if left alone—if left in the condition they are now. The insurgents are in a position, in my judgment, to fight for fifty years in the way they are fighting now.

Q. Did you derive any impression from Spanish sources while you were there as to their hopes for subjection of the insurgents?—A. Yes, sir.

Q. What was it?—A. Captain-General Weyler told me himself, within a week after I landed there, that he would have it suppressed within three months, and every Spanish officer I spoke to was very sanguine of it.

Q. I understand that the forces of Maceo and Gomez are divided now by what is called the trocha?—A. Well, they are divided by the trocha and quite a good deal of territory east of the trocha.

Q. In the military arrangements of that country Maceo has been assigned to the district called Pinar del Rio?—A. That is true.

Q. And other generals to two other different provinces and Gomez is commander in chief of the whole army?—A. Of the entire army; and if Antonio Maceo obeys his orders that he has received from his chief, he will remain in Pinar del Rio.

By Senator DAVIS:

Q. Mr. Lawrence, I hold in my hand the New York Journal of May 19, containing your statement to the Secretary of State, signed by you, dated May 18, 1896. Is that statement true?—A. Every word of it.

The statement is as follows:

Hon. RICHARD OLNEY,

Secretary of State:

In accordance with the understanding between yourself and Mr. Edward Marshall, of the New York Journal, I herewith submit to you a statement embracing such of my observations of the condition of affairs in Cuba as it seems likely may be of interest to yourself and the State Department. These were gained during my sojourn in Habana as the correspondent of the New York Journal. It is as much the duty of a newspaper man as it is the duty of a diplomatic agent to sift rumors and ascertain exact facts. This is what I endeavored to do.

I went to Cuba entirely unprejudiced, and with instructions from Mr. W. R. Hearst, the proprietor of the New York Journal, to exercise the utmost care in preparing my telegrams and letters, and to especially avoid giving favor to one side at the expense of the other. At that time the impression generally prevailed that the wrongs which had led to the insurrection and the strength of the rebels had been somewhat exaggerated by the correspondents of American newspapers. I was one of those who believed that to be true.

On my arrival in Habana (March 20) I immediately placed myself in communication with the recognized Spanish authorities. It was my first effort to gain an impartial and complete view of the condition of affairs in Cuba as it then existed. I found that it was most difficult to obtain information from the Spanish authorities. Such information as they chose to give out—even of military movements long passed—was not announced in the form in which it had been communicated to the authorities by the commanders in the field, but was revised and changed in Habana. This became immediately evident.

SPANIARDS DISTORTED FACTS.

Even after the correspondents had made up their news dispatches from these revised Government reports the dispatches were subjected to the most rigid scrutiny by the press censor, who often changed facts so that they were in complete conflict with the statements which the Government had a few hours previously issued as truths. This was, it was noticeable, only done when the strength and operations of the insurgents could be belittled thereby, or the successful operations of the Spanish troops magnified.

For example, I will instance the capture of the city of Pinar del Rio, a Spanish fortress and stronghold in the Province of Pinar del Rio, in two hours by the army of the Cuban Republic under the command of Gen. Antonio Maceo. This occurred during my first week on the island. The Government gave out the announcement that Maceo had attacked the town and been repulsed in short order and with great loss, the Spanish loss not being stated.

I accepted the Government's statement as true, and cabled it to the

Journal. A few days later reliable information was received from General Maceo that the battle had resulted in a victory for the army of the Cuban Republic, the Spanish garrison having been driven from the town in a demoralized condition, after which the Cuban soldiers destroyed over 200 houses. The Cuban loss did not exceed 50 men, while 300 Spaniards were killed. This news I telegraphed to my paper after having verified it absolutely.

After its publication the Spaniards in Cuba vehemently denied its truth, reiterating their previous statements. Later the truth of the Cuban story was verified by cable dispatches from Madrid, the verification being based upon Captain-General Weyler's own report to the home Government. I may say that my second dispatch announcing the Cuban victory did not pass through the hands of the press censor. It was sent by means of a private messenger, via Key West, Fla. This is a fair sample of the methods which the Spanish authorities in Habana follow in giving out news to all parties.

FOREIGN POWERS DECEIVED.

The representatives of all the foreign Governments in Habana receive their information through the same unreliable channels through which information is passed to the newspaper correspondents. It is invariably scrutinized and altered to suit the Spanish authorities before it is made public. On the other hand, it is quite as true that unreliable information and exaggerated reports are constantly being offered to correspondents and others by the insurgents and their sympathizers. This false news from the insurgent side, however, is without the official stamp. Such news as goes to the correspondents or others through the Cuban headquarters there, under the sanction of the authorities of the Cuban Republic, is, my experience teaches me, invariably reliable.

It is almost always ultimately verified by the Spaniards themselves, either in Habana or Madrid.

These statements, I think, dispose of any question which may arise concerning the reliability of the announcements made by American newspaper correspondents in Habana which have been denied by the Spanish authorities.

TREATMENT OF AMERICANS.

A matter which should, I think, be especially called to the attention of yourself and the State Department concerns the treatment of American citizens by the Spanish authorities in Habana. I will first refer to the case of Walter Grant Dygert, of Illinois. While taking a morning walk on the outskirts of the town of Guines, in the Province of Habana, within 20 miles of the Spanish capital of Cuba, he was arrested by Spanish soldiers under the supposition that he was William Gold, otherwise known as "Inglesito," a noted Cuban officer. He was placed in the military jail at Guines.

Evidence was found in his possession which proved conclusively that he had arrived in Cuba only three days prior to his arrest, and therefore could not have been "Inglesito," who had been fighting with the army of the Cuban Republic for almost a year past. Still, he was placed "incommunicado," which means that he could neither send nor receive communications to or from any living human being except the Spanish authorities. He asserted his American citizenship and his complete innocence of any offense against the Spanish laws, but the authorities even refused to notify the United States consul-general at Habana of the fact that Dygert had been arrested.

Through Cuban sympathizers who had learned of his predicament Mr. Charles Michelson, who was then the Journal correspondent at Habana, was informed of Dygert's arrest. He immediately laid the facts before United States Consul-General Williams. I am informed that Consul-General Williams made every effort to communicate with Dygert, but that he could not gain from the Spanish authorities even an admission that Dygert was under arrest until the fact became so publicly known that further equivocation was useless.

INNOCENT MAN IN PRISON.

In the end the authorities admitted the innocence of Dygert—admitted it even to the American consul-general—but still held him in jail for over two months, in spite of the protests of Consul-General Williams. The reason that he was not released sooner was because he refused to sign a waiver of any claims for damages that he might have against the Spanish Government.

Another case is that of Frank Agramonte, a citizen of New York State and a member of the militia of that Commonwealth. He was arrested and confined in the military jail in the Province of Santiago de Cuba. What has become of him no man except those who have been concerned in his disappearance can tell. The American consular office at Habana informed me that it has never been notified of the arrest of Agramonte, and that inquiries made at the palace of the Captain-General have been met with the reply that they knew nothing about the case.

Personally I made inquiry concerning him, but was not able to learn from the Spanish authorities whether he was in prison or at liberty, alive or dead. That he was arrested there is not the slightest doubt. I have come in personal contact with four men who saw him in the custody of the Spanish soldiers.

You are probably better informed than myself regarding the cases of the Americans arrested in connection with the so-called *Competitor* expedition, but I may add to your information the facts that upon learning of their capture the Captain General issued orders for a court-martial to convene immediately upon their arrival, and personally expressed the hope that they would be executed within twenty-four hours, as a warning to others who might accompany or seek to accompany insurgent expeditions to Cuba. This was before the Captain-General knew that the prisoners had been taken on the water, and were, therefore, subject to the jurisdiction of the naval and not the land authorities.

SPAIN VIOLATED THE PROTOCOL.

You know that in the trial of these men the Government of Spain violated both the letter and spirit of the protocol of 1877, known as the Cushing protocol. I was personally present when Consul-General Williams and Vice-Consul Springer protested against such procedure in the cases of American citizens. The protest was made in the name of the United States Government, and, as Mr. Williams stated, by order of the State Department. The officer who received the protest was the judge-advocate of the court-martial, and the time was one hour before the beginning of the trial.

I may state, however, that Mr. Williams had made the same protest in writing, several days previously, and that his letter was read at the court-martial. The judge-advocate consulted with the prosecuting

officer, who decided that the trial must proceed, notwithstanding the objections raised by the American Government. The fact that the trial was held and that the prisoners were found guilty and sentenced to death are matters on which you have already been informed by Consul-General Williams. Even though the Madrid authorities have ordered a suspension of sentence, at the request of Minister Taylor, the prisoners are still subject to the sentence, which may be carried out at any time at the will of the Spanish Government.

WEYLER'S QUEER IDEAS.

It should also be called to the attention of the State Department that Captain-General Weyler does not openly recognize the treaty rights of the United States in this matter, but that he describes concessions which are evidently made under treaty provisions as favors to the United States, thus placing this Government in the attitude of being under obligations to Spain. This may be illustrated by citing the cases of Charles Michaelson and Lorenzo Betancourt, correspondents of the Journal, who were arrested in Habana and confined in Morro Castle.

Messrs. Michaelson and Betancourt were arrested on the charge that they had passed the Spanish lines without the permission of the authorities. It immediately became evident that it was a case of mistaken identity, as neither of the men arrested had, in reality, passed the Spanish lines or had attempted to do so. Shortly after their arrest, and after the consul-general of the United States had made a formal demand upon the Spanish authorities for the release of the men, the *Bermuda* expedition was stopped by the United States Government officials as it was leaving New York Harbor.

Captain-General Weyler then released Michaelson and Betancourt, with the statement that he did it as a favor to the United States in recognition of the prompt action of your Department in stopping the *Bermuda*. Thus, instead of admitting the treaty rights of the United States and according a civil trial to all American citizens arrested in Cuba not actually "with arms in hand," he places this Government in the humiliating position of suing for and accepting favors at the hands of the Spanish Government. I was informed shortly before I left Habana that the cases of Messrs. Michaelson and Betancourt had not been closed, but were still open. The two men are, then, merely on parole. The Spanish Government may take their cases up at any time. Michaelson has left Cuba, but Betancourt is still in Habana.

RECOGNIZES NO TREATY RIGHTS.

In not a single instance has Captain-General Weyler officially recognized the treaty rights of United States citizens in such matters. Invariably when he has ordered a civil trial he has announced that he did it as a favor to the United States. In the case of the *Competitor* Americans he absolutely refused to concede their rights to other than summary trial by court-martial. He insisted, without any foundation in fact for the assumption, that these men were captured with "arms in hand." His own witnesses, Captain Butron, the engineer, and other officers of the war launch *Mensajerra*, which captured the *Competitor*, testified that the men made no resistance whatever; that they yielded to the demands of the officers of the *Mensajerra* without a struggle, and that they had no arms upon their persons.

Nevertheless, the Captain-General would have carried out the sentence

of death imposed had not the activity of your Department compelled an order from the home Government at Madrid ordering the sentences to be suspended. It is the general belief in Habana that dozens of Americans occupy cells in the military prisons in the eastern part of the island, and have been there for months past, without a hearing of any kind. In this contemptuous manner does Captain-General Weyler regard and treat Americans generally.

My statements of outrages perpetrated on the peasantry of Cuba by the officers of the Spanish army, and Colonel Melquizo in particular, are susceptible of the clearest and most conclusive proof, while on the other hand they are, I am convinced, only the merest hints of the dreadful state of affairs which really exists in Cuba. Were it possible to relieve some of the most important and highly respected men in the Island of Cuba from the fear of revengeful punishment by the Spaniards, I would give the names of the men of the highest standing and wealth, who have witnessed every one of the horrors to which I have referred in my press dispatches.

VICTIMS OF THE "BUTCHER."

Some of the cases to which I have referred are as follows:

These men were shot without the slightest pretense at a trial near Campo Florida, near Habana: Domingo Lumones, Ramon Castellinos, Manuel Martinez, Jose Cejas, Jesus Ochoa Rodriguez, Joaquin Merina, Bargarito Zarzas, Eleno Guerra, Marguerito Verole, Basilio Rubiro, M. V. Collina, Florencio Rabelli, Benigno Galloso and son, Pedro Cardenas, his wife, Julia, and another woman named Maria Luiz; Apolo Camaronas, Inocento Rabell, Eduardo Sardenes, Cruse Ferrer, Abelardo Cartaya, Martin Diaz and son, Francisco Ferrer, Leonardo Llerena, Caridad Roys, Luz Guiterrez and son, and many others.

I might cite by name a list of men and women which would cover many pages of this statement, all of whom were murdered by the Spanish troops without the slightest excuse, other than the unproved belief that they were Cuban sympathizers. It should be remembered that all these to whom I refer were noncombatants—peaceful white citizens engaged in following their daily callings when ruthlessly assassinated by the heartless men under Captain-General Weyler. Such murders are occurring daily, almost hourly, throughout the island. Weyler absolutely denies that these men are murdered, and asserts that they are killed in battle.

OFFERED TO PROVE HIS STORIES.

I personally offered to prove to the Captain-General that if his officers report that these deaths are the regular casualties of battle their reports are false. I offered to take him or any reliable man whom he might designate and who should not be known as a Spanish official to the districts where these brutal killings occurred and bring him in contact with men who saw the executions, who knew that the victims were not soldiers in the army of the Cuban Republic, had never borne arms, and were not intending to bear arms; that they were peaceful farmers and farm laborers who, at the time they were murdered, were pursuing the peaceful callings of their inoffensive lives.

It was also called to my attention and proved that Captain-General Weyler was at the time I left Habana engaged in equipping his men with brass-tipped bullets, contrary to the convention signed at Geneva

by Spain and all other civilized nations. Thus, he violates the law of nations in the conduct of his warfare. After this bullet enters the body the brass tip spreads, mutilating flesh, tissues, and bones, and being likely to cause blood poisoning. These bullets I have myself seen.

Forty-eight hours before leaving Habana I wrote a farewell letter to Captain-General Weyler, in which I informed him of the monstrous conduct of his officers in the field and concluded with this language:

You still have time to order my arrest. I invite you to do so, and guarantee that an investigation shall be made, the result of which will prove you to be the most barbarous military savage the world has ever known.

The Captain-General ignored such a vigorously worded challenge as that. In the letter I described to him the conduct of Colonel Melquizo's command while on the march from Jiquiabo to Minas. The soldiers were in town of Jiquiabo.

CONDUCT OF SPANISH TROOPS.

From an eyewitness, a man of the highest standing in Cuba, who was present that night, I gathered the following information:

There was not a morsel of food in the town that had not been confiscated by Melquizo's men. Every food animal and fowl had been killed and the people were compelled to appeal to the soldiers for sufficient food to drive away hunger. The women of Jiquiabo were in a state of terror bordering upon insanity because of the infamous conduct of the soldiers toward them. This conduct aroused the indignation of the men of the town and they appealed to Melquizo in person for protection for the women.

His reply was that no loyal Spanish woman would refuse a Spanish soldier anything, and he presumed the women of Jiquiabo were loyal Spanish subjects. An instance was related by my informant of two soldiers entering a hut where they found a woman alone. They first spoke to her in such language as no good woman would listen to. Finally they attacked her. She secured a knife and fought them off as best she could until, when her strength was almost exhausted, she broke away from them and ran into the field. The men followed her and, realizing that the thought of escape was hopeless, the poor woman drove a knife into her breast and within a few minutes was a corpse. The name of this woman was Maria Garmuza.

This is only one of dozens of similar cases that have been reported to me. My information is of the most reliable kind and, were a proper investigation made, I could prove it beyond a shadow of a doubt.

THE MILITARY SITUATION.

As to the military situation on the island: Enough people in this country to command respect believe that the Spaniards represent the only real army in Cuba from a soldier's point of view, and that the army of the Cuban Republic is composed of mere wandering bands of destroying outlaws led by men who respect and are subject to no law whatever. This is untrue. The Spaniards are in point of numbers superior to their opponents, but the leaders of the army of the Republic have exhibited superior brains, courage, and military genius.

Landing on the island with only a small following a year ago last February Generals Gomez and Maceo have now under their command in the neighborhood of 100,000 men, whose numbers would be very largely increased if the men who desire to join them could pass through

the Spanish lines. The Republic is in possession of almost the whole of the interior of the island. There is scarcely a town that they have not attacked and occupied.

To do this they have been compelled to drive the Spanish garrisons out of the cities, and they have done it most successfully whenever it has been attempted. The only portions of Cuba which the Spaniards have managed to hold are the capital, Habana, and other towns on the seacoast, where they have been favored with the protection of the Spanish gunboats. With their men as well armed as are the Spaniards the Cubans could unquestionably overcome that advantage and hold the entire island against any force Spain might send against them. Even as it is the Cubans now menace the capital. General Gomez, with nearly 30,000 men, is marching westward and has reached a point in Mantanzas close enough to the city of Habana to cause the authorities great trepidation.

HABANA CAN BE TAKEN.

The capital is in almost a defenseless condition against a land attack, the Captain-General having sent nearly all of his available forces to the Province of Pinar del Rio to reinforce the trocha which he has established from the northern to the southern coast of the island. The fortress at Cabanas and the fortress of Santa Clara, which is situated in the city of Habana to the west of the harbor, might prove quite effectual against an attack by sea, but would, in the opinion of military men whom I have interviewed in Habana, prove totally inadequate to defend the city from an invasion on the land side. The only protection the capital has from an attack by land are a few insignificant stockade forts erected around the outskirts and garrisoned by poorly equipped, undrilled, half starved volunteers, who, during the hours when they are off duty, may be seen in the streets of Habana asking alms of citizens like ordinary beggars.

It seems incredible that such men would succeed in holding Habana against an attack by such fighters as the Cubans under General Gomez have on more than one occasion proven themselves to be. In a march of over 500 miles, which the commander in chief of the Cuban army has made since he left Puerto Principe on his second invasion, he has not had a battle nor even a skirmish with the Spaniards, who have persistently avoided a trial of strength. The march has been made without the loss of a single man on either side and, incidentally, hundreds of peasants have swelled the ranks of the Cuban army by enlisting under General Gomez.

In Pinar del Rio Province General Maceo is commander of the situation. He has a comparatively small force, consisting, I have been told, of not over 5,000 men, who, however, are well-trained fighters and splendidly equipped with arms and ammunition. On the trocha, it was reported to me, there are over 40,000 Spanish soldiers, against which body of men flying columns of Spaniards, consisting of from 1,500 to 5,000 soldiers each, are attempting to drive Maceo's troops.

GENERAL MACEO'S VICTORIES.

They find it impossible, however, to get Maceo into a position from which he can not escape, and whenever he has met a force of Spaniards in battle he has invariably succeeded in defeating his enemies. For proof of this, his battles with Alphonso XIII Battalion and with the force under General Suarez Inclan at the battle of Cacarajicara

may be cited. After ten hours of fighting Maceo drove Colonel Dubos and the Alphonso XIII Battalion back to the seacoast, where they were compelled to take refuge on board the gunboat *Alerta*. The Spanish loss at this engagement was nearly 1,000, while General Maceo suffered a loss of not more than 200.

At Cacarajicara, Maceo led Inclan into a trap and drove him back to Bahia Honda with great loss. This appears to be the fate of the flying columns that are sent after Maceo, while on the other hand hundreds of Spaniards on the trocha are being exterminated daily by yellow fever and other diseases.

The death rate is so high on the trocha that the supply of Spanish soldiers to take the places of those who have succumbed to disease is exhausted, and General Weyler has been driven to the extremity of calling upon the volunteers from Habana to reinforce the line. At the time I left Habana the Captain-General had attempted to make a draft on the volunteers to go to the trocha, and these young men (who correspond to the State militia in this country) were in open rebellion against his order. The position they assumed was that it was their duty to guard the banks and public buildings of Habana in addition to doing guard duty generally around the city and its outskirts, and that neither General Weyler nor any other commander had authority to order them into the field.

CUBANS IN GOOD CONDITION.

The Cubans are in a position to maintain the present state of affairs for the next twenty years if Spain can find resources to keep up her end of the war for that length of time. Up in the mountains the leaders of the army of the Republic have established ranches, where men are engaged in breeding and raising cattle for food purposes. The raising of vegetables is also encouraged by the Cuban commanders, and in addition to this means of subsistence they have the native food plants that grow in wild profusion all over the island.

From this it will be readily understood that no matter how long the war should last, or how much privation they should suffer in other directions, the Republican army will never suffer dangerously from lack of food. As the Cubans are in a position to stop all farming except such as they indulge in themselves, the Spaniards will presently find that their own shortage of food is a great drawback to their campaign, and they will be compelled to resort to importing their rations from the United States, Spain, or some other country.

The Cubans have been accused of incendiarism in a criminal sense because they have destroyed sugar cane, tobacco, mills, and plantations. They insist that they should not be regarded as criminals, but that the orders which the commanders issued for the destruction of the island were justifiable war measures.

DESTROYED WITH OWNERS' CONSENT.

I have personal knowledge that in a great many cases the plantations have been destroyed with the consent of the owners. In fact, a great number of owners of plantations that have been destroyed informed me personally that they had invited the Cubans to do so because they did not want to grind their cane and thereby supply revenues to the Spanish Government. The fact that wealthy men cherish such hostility to Spain and are ready to help the Cubans in their fight should be sufficient refutation of the charge that the war for Cuban freedom is only backed by the ignorant classes and negroes.

I found that nearly three-fifths of the population of the island were either actively engaged in the war on the Cuban side or that the revolution enjoyed their active sympathy and support. Of course, these men dare not utter their sentiments openly, but they have willingly ruined themselves to aid the cause, and to those whom they can trust not to betray them they are not in the least backward in expressing their views.

Respectfully submitted.

FREDERICK W. LAWRENCE.

MAY 18, 1896.

STATEMENT OF REV. A. J. DIAZ.

A. J. DIAZ was duly sworn.

By Senator MORGAN:

Q. What is your name?—A. A. J. Diaz.

Q. What is your age? A. Forty years.

Q. Where were you born?—A. I was born in the city of Guanabacoa.

Q. How far is that from Habana?—A. About 2 or 3 miles.

Q. Where were you educated?—A. I was educated partly in the Island of Cuba and partly in the United States.

Q. At what school?—A. First I was at the institute, as we call it, in Habana, then went to the university in Habana.

Q. When you came here where did you go?—A. When I came here I was educated by Dr. Alexander Hunter, of New York, a private teacher.

Q. Educated in your profession as a doctor of medicine?—A. No, sir; as a minister.

Q. Well, were you ever educated as a doctor of medicine?—A. Yes, sir; I was educated in Habana.

Q. Did you get your degree?—A. Yes, sir; I got my degree there, and my diploma as a doctor has been registered here in the State of Georgia, too.

Q. Did you commence practicing your profession in Cuba?—A. Very little. At that time I was quite young, and the last revolution was started, and then I joined myself in that revolutionary army.

Q. Who did you serve under?—A. I served with the Cuban party.

Q. Under whose command?—A. Under the command of Julio Funes.

Q. How long did you serve in that army?—A. I served in that army for nearly two years.

Q. Did you have any rank?—A. Yes, sir.

Q. What was it?—A. I was appointed by them as a captain.

Q. Did you have a company under your command?—A. Yes, sir.

Q. When that war closed, what became of you?—A. Before the war closed I was appointed to find some place for our people. We knew very well if they got hold of the Cubans they would kill them. Knowing that, I threw myself into the sea, drifting on a log, in the hope of reaching some place of security, but the current was strong and drove us away. That was in the nighttime, and the next day we found ourselves in a vessel which picked us up.

Q. Where did they take you to?—A. They transferred us to a schooner that was bound to New York, and I went to the city of New York.

Q. How long did you remain in New York?—A. I remained in New York for nearly five or six years.

Q. What were you doing while you were there?—A. At first I was employed in the cigar business. Then I commenced to read to the factories there, employed as a reader, and then I commenced to do some missionary work.

Q. You became a minister?—A. Yes, sir.

Q. What church did you join?—A. The Baptist Church.

Q. Did you join that church in New York?—A. No, sir.

By Senator DAVIS:

Q. Are you now an ordained minister of the Baptist Church?—A. Yes, sir.

Q. How long have you been so?—A. For nearly six years.

By Senator MORGAN:

Q. Where were you ordained?—A. I was ordained in the city of Key West, Fla.

Q. You belong, then, to the Southern Baptist Church?—A. Yes, sir.

Q. After you were ordained did you return to Cuba?—A. Yes, sir; I returned for that purpose to the city of Key West. I was called by the council to the city of Key West, and was ordained there and returned the next week.

Q. Then I suppose you became a missionary of the Southern Baptist Board to Cuba?—A. Yes, sir.

Q. Well, when you got to Cuba did you establish a church there?—A. The church had been already established.

Q. And you were appointed to it?—A. Yes, sir.

Q. What progress have you made in your denominational growth there?—A. Very good.

Q. About how many communicants have you there?—A. I have about 2,700 who have been baptized in the last eight years.

Q. In the city of Habana?—A. Yes; and I organized a Baptist hospital for the poor. I organized seven free schools, where we have over 1,500 children; we educate them; and also have a cemetery. We can not bury our Protestant people in the Catholic cemetery. They do not allow us to bury them there.

By Senator DAVIS:

Q. In whose name is the title to all this property?—A. In the name of Dr. Tichenor, the corresponding secretary of the Home Mission Board.

Q. He holds it as trustee for the mission board?—A. Yes, sir.

By Senator MORGAN:

Q. Where does Dr. Tichenor belong?—A. In Atlanta, Ga.

Q. What would be about the value of that property you have in Habana?—A. The church itself is worth about \$140,000. It is a very nice piece of property. The hospital we have is worth about \$20,000, and the cemetery—well, we can not say what it is worth, but it brings to the board an income of \$6,000 or \$7,000 a year.

Q. You have property, then, in San Miguel, also belonging to the church?—A. Yes, sir.

Q. What is the value of that?—A. About \$2,000.

Q. How many churches have you organized outside of San Miguel and outside of Habana in the country?—A. We have different missions, but never organized different churches. We have missions at different places. A preacher will go to one for one or two months for a meeting and then move away to another.

Q. How many ministers are employed in the Baptist denomination?—
A. About 24 missionaries.

Q. Are there any of those remaining in Cuba now, or have they left?—A. None remain except the women missionaries.

Q. The men have all had to leave?—A. Yes, sir.

Q. Why have they had to leave?—A. Well, they have been persecuted in one way or another by the Government, and have had to leave.

Q. They have all left?—A. They have all left and come to the United States.

Q. You speak of free schools you have established there; are there any free schools within your knowledge in Cuba sustained by the Spanish Government?—A. Yes, there are some.

Q. How many?—A. A great many, but kept in a very bad condition; they do not teach anything.

Q. Are they under ecclesiastical control?—A. Yes, sir.

Q. The Catholic Church?—A. Yes, sir.

Q. Who supplies the funds?—A. The Government.

Q. I was reading the other day, from a Spanish author, a statement to the effect that the annual taxes upon the people for the support of the Catholic Church in Cuba amounted to about \$600,000. Is that correct?—A. I think it is more than that. I think it is about \$1,500,000 or \$2,000,000.

Q. This book I was reading from was written ten or fifteen years ago?—A. The bishop of Habana gets about \$18,000 a year.

Q. And the archbishop how much?—A. He gets about the same.

Q. The archbishop of Cuba and the bishop of Habana get about \$18,000 each?—A. Yes, sir.

Q. Well, have you been much over the country in Cuba?—A. Yes, sir; I have been in a great number of places.

Q. When did this war that is existing now in Cuba commence?—A. It broke out about the 29th of February, 1895.

Q. After that war broke out were you visiting over the Island of Cuba in different places?—A. Yes, sir; in behalf of the missions. When the war broke out I did not know exactly what to do. As a captain of the army on one side, and as a minister of the gospel on the other side, I was a little troubled myself, but I concluded to take no part in the insurrection, but just to help both parties, and then I organized what we call a White Cross Society. It is a society based on the Red Cross Society of Geneva, for the purpose of treating both sides.

Q. You mean, to assist them medically and charitably?—A. Yes, sir; and at the same time I sent a letter to President Cleveland to notify him that we were going to do that kind of work, and Mr. Gresham answered the letter saying that they had nothing to do with the matter, but were very much pleased with that thought and encouraged us, but they said they had nothing to do with the Geneva Cross. So our Government was notified that we were going to take part in that movement for a sanitary purpose.

Q. Well, the Spanish Government, then, became one of the parties to the Red Cross Society; that is, to the treaty by which they had certain rights?—A. Yes, sir.

Q. And you were not violating any public law by organizing that society?—A. No, sir; nor private either.

Q. And you say you had determined not to take part with either party in the political struggle that was going on there?—A. Yes, sir.

Q. Have you kept to that resolution faithfully?—A. Yes, sir.

Q. And you have not taken part?—A. I have not taken part on either side.

Q. In any way?—A. In any way; just helping the wounded and sick, that is all.

Q. Well, did you visit the United States recently before you were expelled?—A. Well, I generally visit the United States once or twice a year. I must come to the Southern Baptist Convention when they have a meeting, and give my report, and then they have some association or State convention, and then they call me. So I came to the United States last year twice or three times, to the Southern Baptist Convention which met in Washington, to the Florida State convention, and to the Home Mission Board's meeting.

Q. Well, both visits you made were for the purpose of attending Baptist conventions?—A. Yes, sir; that is all.

Q. You did not come here on a political mission?—A. No, sir.

Q. And had nothing to do with politics or with the war?—A. Nothing to do with it.

Q. What did you do as a member of this sanitary corps, as a physician, in treating the sick and wounded of both parties?—A. We made a by-law and we gave that by-law to the Government of Spain in order that they might approve it, and so they did. They approved it, and the second article says we have the right to constitute neutral camps in order to just take care of the sick and wounded; and while Mr. Campos was there everything was all right, because Mr. Campos conducted the warfare in a civilized way, and we had no trouble about it. We organized about forty delegations to take care of all sick and wounded. We have treated there about 2,000 Spanish soldiers, but as soon as Mr. Weyler came he ordered us to stop—not to take care of the insurgents by any means, only take Spanish troops, who were the only ones we had any right to take care of.

Q. Then did you cease to take care of the insurgents?—A. Yes, sir; I did not want to break any law, right or wrong. I did not want to interfere with any of them.

Q. Now, as a White Cross director, did you have a right to go into the ranks of the enemy?—A. Yes, cross the lines any time I pleased.

Q. You went out to the camp of the rebels?—A. Yes, sir.

Q. Did you make frequent visits to them?—A. Not frequent visits, but when I went to inspect a delegation sometimes I found them in my way. Sometimes, as military operations required, they stopped me and kept me for two or three or four days, and then I stopped there; and if they had something to do in the medical line I did it—made surgical operations.

Q. You are a surgeon?—A. I am a surgeon; yes, sir.

Q. Now, these delegations you speak of, I suppose they were scattered about through Cuba?—A. Yes, sir; in the Province of Pinar del Rio, the Province of Habana, and provinces of Matanzas and Santa Clara.

Q. How many delegations did you have in all?—A. Nearly 40.

Q. And how many people would be engaged in each delegation?—A. About two or three directors and several nurses. Sometimes they have women.

Q. Who supported these delegations?—A. We supported them.

Q. Do you mean the White Cross?—A. Yes, sir; the White Cross Society.

Q. Where did you get the money to do it with?—A. Part I collected from the members of the church and part we got from contributions of the people.

Q. Did the Spanish Government contribute anything to it?—A. No, sir; never contributed a cent.

Q. Now, then, it was in visiting these delegations about through the different parts of Cuba that you had the opportunity to see what was going on in both armies?—A. Yes, sir.

Q. Now, you visited the rebel army—I call it that—the Cuban army in Pinar del Rio?—A. Yes, sir.

Q. When did you go there the last time?—A. The last time I was in Pinar del Rio was on the 13th of March. [Reading from paper.]

I went to the town of Caimito for the purpose of leaving medicines, bandages, etc. On arriving there I was informed that there were two wounded children at the farm known as Saladriga. I went to their assistance.

Q. Now, just stop right there, because I am going to read that paper over to you presently. I am getting at preliminary facts. When you were at Pinar del Rio did you see Maceo?—A. I saw Valdespino, and Maceo also.

Q. About how many troops did Maceo have with him?—A. Well, really, I could not tell you because of the way they appeared; the way they came was an immense crowd of people all riding on horseback. It was a large crowd. I could not exactly tell how many.

Q. You had no statement of the number?—A. No, sir.

Q. Well, would you say it was a strong army?—A. Very strong.

Q. Did he have any artillery with him?—A. I did not see any.

Q. How were they armed?—A. A great many of them were well armed and the balance of them all had the machete.

By Senator DAVIS:

Q. Would you say he had some thousands of men under his command or only a few hundreds? Give some idea.—A. Oh, I think he had some seven or eight thousand men.

Q. You saw them?—A. Yes, sir; I saw them.

By Senator MORGAN:

Q. Did he have a permanent camp there?—A. Well, they were moving around. Sometimes they stay in one place fifteen or twenty days and then move to another.

Q. Well, when you saw him had he made the attack on the city of Pinar del Rio?—A. No, sir; he was just going in the direction.

Q. And that fight occurred afterwards?—A. Afterwards; yes, sir.

Q. What did you gather to be the result of the fight he had in Pinar del Rio; what did you find out or gather to be the result of it?—A. Well, I asked them, you know, what they intended to do in Pinar del Rio, and they said they were just going on, take possession of the principal towns, and Maceo was appointed as commander of that Province.

Q. He was assigned in command of the Province of Pinar del Rio and is there now?—A. Yes; he is there.

Q. Well, after that was over they had other battles—that of Bahia-honda?—A. Yes, sir.

Q. Do you know anything about that battle?—A. It was the one where the Alphonse XII Regiment was destroyed. It is reported the whole regiment, about 1,000 soldiers, were destroyed, and but 14 or 15 were left. They threw themselves into the water and got a small boat and went out in the bay, and the current brought them to the city of Habana, which is about 60 miles from that place.

Q. Do you think your information about that is correct, that the whole Spanish battalion was destroyed?—A. Yes, sir.

By Senator DAVIS:

Q. Was it a battalion?—A. Yes, sir; a battalion.

By Senator MORGAN:

Q. Did Maceo capture Pinar del Rio?—A. I do not know; I heard that.

Q. How long did he hold it?—A. I presume he held it about two or three days.

Q. Was this fight you tell about before or after the capture?—A. I think it was before the capture. I know that is true because of this: There was published in the paper that the colonel will be tried by court-martial because he did not go to the point where the regiment was.

Q. That is another column?—A. That is another column; yes, sir.

Q. Did you see Gomez when you were out there? When did you see him last?—A. About two months ago.

Q. Where did you see him?—A. I saw him in the Province of Habana.

Q. How far from the city of Habana?—A. I saw him in Bainoa.

Q. How far from Habana?—A. About 35 miles.

Q. Did he have his forces with him?—A. Yes, sir; an immense force.

Q. How many thousands do you suppose?—A. I think he had about 10,000 men.

Q. What was the condition of his health?—A. Pretty good. He had only a little abscess on one of his legs from an old wound, but he has recovered from that and is all right.

Q. He is an old man, is he?—A. He is an old man, about 72 years of age.

Q. Did you talk with him?—A. Yes, sir; he asked me several questions and I answered.

Q. Did you tell him about the condition of the Spanish forces and all that?—A. No, sir; he knew he had no right to ask such questions as that.

Q. What did you think of the appearance of his army; did they look as if they were strong?—A. Very strong.

Q. Well armed?—A. Well armed and in good health.

Q. Have you been personally with any other army in Cuba?—A. Yes, sir; Mr. Aguirre's.

By Senator DAVIS:

Q. When?—A. Just two weeks before they put me in prison.

Q. When did you leave Cuba? Give me the date.—A. I think it was before the 1st of May.

Q. How long before?—A. Just a day or two.

Q. Now, how long was it before you were arrested that you saw the force of Aguirre you mentioned?—A. Fifteen days.

By Senator MORGAN:

Q. Where did you find Aguirre?—A. They found me. I was down there attending a man. While I was amputating his arm the insurgent forces came around the little tent I had for that purpose, and while I was operating I found myself among the insurgents, and he came there and just looked at what I had been doing, and kept everybody away and did not molest us at all.

A. You were not in his camp, then?—A. No, sir.

Q. Did you talk with Aguirre?—A. After I got through with the operation; yes, sir.

Q. Did he speak of his affairs?—A. Yes, sir; and I knew partially of them down there.

Q. You knew the people?—A. Very well; a great many of them had been in my congregation.

Q. Now, what class of people did that army consist of?—A. The best class of young men in Habana, generally.

Q. Do you mean the Province of Habana?—A. No; the city.

Q. Aguirre's command consists mostly of city boys, does it?—A. Yes, sir.

Q. How many were there?—A. He had at that time about 2,000; that was his escort.

Q. He had others?—A. Oh, yes. He had in the province 10,000 or 15,000 men, scattered all over the Province of Habana in different camps.

Q. Now, what kind of people did the army of Maceo appear to be?—A. Very fine people, too; white people; doctors, lawyers, druggists.

Q. Intelligent people?—A. Intelligent people.

By Senator DAVIS:

Q. What kind of people were the private soldiers in Maceo's army?—A. Well, they have some colored people, too—many—and they have some of these intelligent people as private soldiers, a great many of them people who do not want any rank; just wanted to be soldiers, just to do that in the democratic line to encourage others.

By Senator MORGAN:

Q. Now, these people you saw in Gomez's army, did they appear to be men who were farmers and persons living in the country—respectable people?—A. Yes, sir.

Q. White people?—A. Yes, sir; as well as negroes.

Q. Was that the case in Aguirre's army, too?—A. Well, Aguirre had more white people.

By Senator DAVIS:

Q. What proportion of negroes and white in Maceo's army?—A. Well, one third negroes.

Q. Are the negroes and whites in separate companies and regiments, or are they all mixed up together?—A. Well, I do not know very well, but, as I say, they mingled.

Q. In the same organization?—A. The same organization.

By Senator MORGAN:

Q. Now, in traveling there, did you go to Cubitos?—A. No, sir; my organization did not reach as far as that.

Q. How far is that from Habana?—A. Cubitos is in the central part of the island. It is in the Province of Camaguay.

Q. It is up in the mountains, is it?—A. Yes, sir.

Q. Do you know Mr. Cisneros?—A. Yes, sir.

Q. Do you know where he was?—A. Yes, sir; I know where he was. Cisneros has about 20 of the principal men of the city of Habana with him. I inquired for him, and was told he was at that place, Cubitos.

Q. That is his capital?—A. That is his capital.

Q. Is that a place of difficult access?—A. Very difficult. Bartolo Masso is the general up there, with about 10,000 men to protect the government.

Q. Now, I understand that the military arrangement among the Cubans is that a general is assigned to certain provinces?—A. Yes, sir.

Q. Maceo to Pinar del Rio?—A. Yes, sir. Aguirre to Habana, Sanchez to Santa Clara, Roloff to Santo Espiritu, and Calisto in Camaguay; and then in the eastern part of the island is José Maceo.

Q. So that is the military disposition?—A. Yes, sir; men command

generally in the province, and then they have subdivisions. They have, for instance, brigades in each province.

By Senator DAVIS:

Q. Gomez is commander in chief over all?—A. Yes, sir.

By Senator MORGAN:

Q. And that is the military organization?—A. Yes, sir.

Q. Let us know something about the civil organization. Did you meet any civil officers?—A. Yes, sir; Mr. Portuondo.

Q. What is his office?—A. He is secretary of the interior.

Q. He belongs to the general government of the Cuban Republic?—A. Yes, sir.

Q. I want you to speak of the local officers—the prefects and sub-prefects. Do you know anything about them?—A. Yes, sir.

Q. What is a prefect?—A. He is the man in charge to find supplies for the families of insurgents in every place there.

Q. Sort of a commissary?—A. Yes, sir; if the families need something to eat, for instance, he brings food, cattle, etc.

Q. Takes care of the families of the men in the army?—A. Yes, sir; and if the men are sick or wounded the prefects take care of them.

Q. They take care of the sick and wounded, and subprefects have smaller districts?—A. They have smaller districts.

Q. Now, who are the tax collectors there?—A. There are tax collectors, too; I know, personally, Mr. Menocal.

Q. A cousin of our Menocal here?—A. A brother, I think.

Q. Is he a tax collector?—A. Yes; they divide themselves into different places and collect all the revenue.

Q. Do they collect revenue from the people?—A. Oh, yes. Sometimes they have no place to put the money. Sometimes Gomez has mules loaded with money—going from one place to another with money.

By Senator DAVIS:

Q. Do they collect supplies in kind?—A. The prefects do, but these are the tax collectors.

By Senator MORGAN:

Q. Do the people of Cuba voluntarily and freely pay taxes to the Cuban government, or are they forced to do it?—A. No, sir; they freely do it. They pay taxes where the Cubans have no control over it.

By Senator DAVIS:

Q. Now, over this territory, have the Spanish any tax collectors?—A. Not one.

By Senator MORGAN:

Q. Have they any judges?—A. Not one.

By Senator DAVIS:

Q. Any civil officers at all?—A. No. In the larger towns is the only place. In the smaller places they have nothing of the kind—no mayors, no aldermen.

By Senator MORGAN:

Q. Do these various civil officers have offices in any one place, or are they roving around?—A. No; they are roving around.

Q. Have they established headquarters?—A. Well, sometimes they do for one, two, or three months, and then they move around. That depends on the persecution of the Spanish.

By Senator DAVIS:

Q. Do they keep records or written accounts?—A. Yes, sir.

By Senator MORGAN:

Q. Now, how are the mass of the Cuban army received by the population living in the towns in the country? Are they received cordially or as enemies?—A. Every time they approach any town all the people come out with flags and welcome them. That is natural. The majority of those boys belong in those cities. They can not be received in any other way.

Q. How do they receive the Spanish, on the other hand?—A. Well, there is great excitement when the Spanish troops approach the cities. The people are afraid, and they do not feel safe, because they know the Spanish come in and sack the towns and break the houses and take possession of them, and violate women, and do horrible things. Of course, the people are scared. The soldiers take possession. I saw this case in Managua; soldiers took possession of a house; the ladies screamed out, and the soldiers commenced to search the bureaus and everything there, and the men came and reported that there were some soldiers sacking that house, and the men said, "I can not say a word about it, because they are all officers."

Q. Did you see this yourself?—A. I saw that myself; I was there.

Q. Did they offer any violence to women?—A. Well, the women ran away. I do not know what became of them. I was sitting there with my brother in the drug store when these things occurred.

Q. Now, you have described how the armies of both contending parties are received by the people of the country.—A. Yes, sir.

Q. Is your description of that true, as far as you know? Without any specification, is it true generally?—A. Yes, sir.

Q. It is generally true?—A. Yes, sir.

Q. Do you know of a town or village in Cuba where you could say that the people were hostile to the Cuban cause?—A. Natives?

Q. Yes.—A. Not one. The whole country has risen up in arms—men, women, and children.

Q. So you regard the attitude or situation with the Cuban people as being one of general hostility to Spain?—A. Yes, sir.

Q. And is that hostility intense?—A. Past expression. One day I heard General Rui say, "Everything here is against us. The air we breathe is against the Spanish people in Cuba."

Q. How do these Cuban armies maintain themselves; upon what do they subsist, and how do they get it?—A. Well, they use goats and chickens and all the tropical fruits, and yams and sweet potatoes, and things that grow wild, and in some places farmers plant for the insurgents; so they never trouble themselves about what to eat.

Q. They have an abundance?—A. Yes, sir.

Q. How long do you think the country can stand that? Will it wear out, and after a while the people starve?—A. No; people who live in the country are all right. They can stay there for twenty years if they want to, with plenty to eat. Now, the misery is among the people of the cities.

Q. Why?—A. Because they have no resources. They have no money or anything, and insurgents are not allowed to grow anything in cities where the Spanish troops are, and they have nothing to eat.

Q. They are in a starving condition?—A. Yes, sir.

Q. About the destruction of the crops there; has it been very extensive—that is, the sugar cane?—A. Very.

Q. Is the Cuban army alone responsible for that destruction?—A. Not the Cuban army alone. The Spaniards do that, too. They set on fire the sugar plantations of Mr. Delgado and others. Part of the city of Managua has been destroyed by the Cubans and the other part has been destroyed by the Spanish troops.

Q. What for?—A. Well, the mayor of that town, Mr. Christo, is a lawyer. They had a battle, and 75 houses were burned, and in a month or two Mr. Christo, the mayor, joined the rebels; and he is a wealthy man, for he has different houses and plantations, and so forth, down there. As soon as he went with the rebel army the Spanish troops set on fire all the houses owned by him. So that part is destroyed by the Spaniards and part by the Cubans.

Q. Is sugar cane an element of subsistence among the Cubans and their horses?—A. Yes, sir.

Q. Now, I want to ask you something about the condition of this Spanish army and Cuban army as to diseases. You have yellow fever in Cuba?—A. Yes, sir.

Q. Does it attack the Cubans?—A. No, sir; not a bit.

Q. Why not?—A. Because they are acclimated.

Q. Does it attack the Spaniards?—A. Oh, yes; fearfully.

Q. Now, take a body of 1,000 soldiers in the season, how many would you expect to find sick out of that number?—A. Nearly all of them.

Q. As much as that?—A. Yes; nearly all of them. Nearly all get sick and about 50 or 60 per cent will die.

Q. You do not mean they all get yellow fever?—A. Yes; that is the principal thing, and dysentery.

Q. And what else?—A. Ulcers.

Q. I wish you would describe those ulcers. Are they syphilitic?—A. Yes, sir; in many cases they are syphilitic.

Q. How is the large majority of cases; is that so?—A. Yes, sir.

Q. State what is the extent of that disease among the Spanish soldiers.—A. Well, about 60 or 70 per cent.

Q. They get sick in that way?—A. Yes, sir.

By Senator DAVIS:

Q. Infected with syphilis?—A. Yes, sir; but they are corrupt people, you know.

Q. Do they bring it with them from Spain or acquire it in the island?—A. Well, they bring it from Spain and acquire it in the island, too, because this is the custom they have; they do not do it now. As soon as they landed they put their guns to one side to have a good time and hunt for women, and of course with that kind of women you know in what condition they are generally.

By Senator MORGAN:

Q. What is your opinion as to the number of Spanish troops now in Cuba?—A. I think they have in Cuba only about 70,000 or 80,000 soldiers. I do not think they have more than that.

Q. How many have come there since this war broke out?—A. Nearly 150,000 to 180,000.

Q. What has become of the balance of them?—A. Well, a great many of them have been killed, and many of them have joined the rebels.

Q. Joined the rebels?—A. A great many them; yes, sir.

Q. Well, how about those who have died in the hospitals from disease?—A. Yes; some have died of disease.

Q. What proportion of the people who have been lost—would you

say that half or more than half have died of disease or battles?—A. Well, not many in battles; more of disease than of battles. The difficulty with the Spanish soldiers is that when they are brought from Spain and reach Cuba they are not allowed to speak to anybody. They have a guard, and as soon as soldiers are landed they are sent to the interior in order that they shall not speak to anyone. The Spanish people in Spain deceive these young men—tell them they are going to fight negroes, etc. The officers are not real officers, but sergeants made captains and corporals and privates made lieutenants. That is the kind of soldiers they have in Cuba, showing they do not know what kind of men they are to meet. They are told that all the Cuban army is negroes, and here they find them white and hear hurrahing for freedom and for republicanism, and say, “Well, I am a republican myself. If I had known that I would not fight against them.”

By Senator DAVIS:

Q. Were you expelled from the island of Cuba?—A. Yes, sir.

Q. Why?—A. By the Spanish authorities, Mr. Weyler.

Q. When?—A. On the 30th day of last April.

Q. What reason did he give for expelling you?—A. I do not know yet.

Q. Did any of your fellow-missionaries leave about the same time?—

A. They left before me.

Q. How many of them?—A. Three ministers.

Q. How many from all the missions?—A. The others, about six or seven.

Q. Now, after you and the other missionaries and the ministers left what became of the church and hospital property?—A. All has been abandoned.

Q. Do you know who has taken possession of it?—A. Yes; some of the members have taken possession of it.

Q. Have the Spanish authorities taken possession of the church?—

A. Not that I know of.

Q. Have the other churches and denominations got hospitals in Cuba?—A. Yes; the Episcopalians have them.

Q. Have they been disturbed?—A. Yes, sir.

Q. Has the Episcopalian minister been disturbed?—A. I do not know.

Q. He left?—A. Oh, yes; he left. The general agent of the American Bible Society, Dr. McKean, left the Island of Cuba, too.

Q. Was he expelled?—A. I do not know. They disappear; that is all we know.

Q. What is said to be called the capital of the insurgents?—A. Cubitos.

Q. Is that the seat of government of the insurgents?—A. Yes, sir.

Q. Who is the president?—A. Cisneros.

Q. Where does he hold his office—perform his duties?—A. Right there, in Cubitos.

Q. For how long a time has he performed those duties at that place?—

A. Well, I think for ten months.

Q. Has he ever been disturbed or fled from the city since that time?—

A. No, sir.

Q. Has he a cabinet?—A. Yes, sir.

Q. Who is the minister of foreign relations?—A. Mr. Palma, I think.

Q. Who is the minister of the interior?—A. Mr. Portuondo.

Q. Who is the minister of justice?—A. Well, I may know the name but do not recall it.

Q. Well, is there a minister of justice there?—A. Oh, yes; I know they have a cabinet there.

Q. Any more ministers?—A. Yes; they have two or three more.

Q. Now, do those gentlemen, except Palma, live in Cubitos?—A. All there.

Q. Performing their duties?—A. Yes, sir.

Q. Have they ever been disturbed?—A. No, sir.

Q. Have they a legislative assembly?—A. Well, they had one about a year ago when they appointed Cisneros.

Q. Has there been any session since?—A. I do not know whether they have had any session recently.

Q. Have they a printing press?—A. Yes; they have a printing press there. I say they have, because I saw a paper that was published up there. The name of the paper was Cuba.

Q. Is it an organ of the insurgents?—A. Yes; it is an organ of the insurgents.

Q. Is it printed regularly?—A. I do not know. I only saw a copy.

By Senator MORGAN:

Q. Have they a post-office department?—A. Yes; a postmaster-general.

Q. And postage stamps?—A. And postage stamps.

By Senator DAVIS:

Q. How do they carry the mail over the island?—A. Well, they have their own means to carry letters.

Q. In cases of battles do the Spanish troops give quarter or do they take prisoners?—A. In a great many cases they do not give quarter.

Q. How about the insurgents; do they give quarter or take prisoners?—A. Yes; they give quarter and take prisoners and give them an invitation to join the rebel army. If they do not accept it they give them parole.

Q. What do the Spaniards do with the prisoners they take?—A. Kill them.

Q. Is that a universal practice?—A. Yes, sir; universal practice.

Q. Do you mean to say the Spanish butcher their prisoners?—A. Yes, sir.

Q. Universally?—A. Universally; yes, sir.

Q. Are any women fighting in the insurgent ranks?—A. No; they do not fight, but they are with the soldiers, because they are wives or relatives or something, and join the ranks.

Q. What do the Spaniards do with the women when they catch them?—A. Kill them.

Q. Do you mean to say they kill them the same as men?—A. They kill them; yes, sir.

Q. What do they do with the children?—A. Kill them.

Q. Do you mean that to the full extent of what you say, that they kill men, women, and children?—A. Yes, sir.

Q. How do soldiers treat women when they catch them?—A. Oh, insult them.

Q. Do you mean by insult them they ravish them; do you know anything of that kind?—A. Yes, sir.

Q. Now, these statements you have made impress me very seriously and I want to be certain. Am I to understand that in case of an engagement the Spanish troops give no quarter, and that either then or after the engagement they kill every insurgent, man, woman, and child?—A. Well, not the insurgents, because they never have that chance and could not.

Q. No, not the insurgents, but I ask if the Spanish troops do that?—

A. They do not do that to the insurgents, because the insurgents never allow them to do that; but the general rule is when they have a battle the insurgents retire and the Spanish troops come in, and any person they find in the neighborhood they kill—men, women, and children, non-combatants.

By Senator MORGAN:

Q. When you were taken as a prisoner you were taken by General Weyler's order, were you—you and your brother?—A. Yes, sir.

Q. You were confined in a house?—A. Yes, sir; we were isolated.

Q. I know; but you were confined in a house?—A. Yes, sir.

Q. How long?—A. Eight days.

Q. During that time were any charges at all presented against you?—

A. No, sir; not one.

Q. Did you demand charges?—A. Yes, sir.

Q. Well, are you an American citizen?—A. Yes, sir.

Q. Fully naturalized?—A. Yes, sir.

Q. Got your papers and all?—A. Yes, sir.

Q. How long ago did that take place?—A. About thirteen years.

Q. And you have been known as an American citizen since you have been in Cuba?—A. Oh, yes.

Q. Did Weyler allow you to have any communication with the American consul?—A. No, sir.

Q. He refused it?—A. Yes, sir.

Q. You desired it and he refused?—A. Yes, sir.

Q. And no charges were made against you?—A. No, sir.

Q. Were you required to make a declaration?—A. Yes, sir; they asked me two or three different questions.

Q. And after that, did they release you?—A. Yes, sir.

Q. How long after that?—A. Twenty-four hours, I think.

Q. Then you were ordered to leave?—A. Yes, sir.

Q. Leaving on the next steamer?—A. Yes, sir.

Q. And you brought your wife and family with you?—A. Yes, sir.

Q. How many children have you?—A. Two children.

Q. Do the Cubans get any arms and ammunition from the villages or people?—A. Yes; they get them from Habana.

Q. How do they get them?—A. Exactly, I do not know the way they manage it, but I know they get all they need. I heard the people talk about that.

Q. The people supply them, of course?—A. Yes, sir.

Q. Do you know whether there is any order of the Spanish Government to prevent the landing of arms or munitions of war?—A. They do not allow any sale of arms in the city of Habana. You do not find in any store any rifles or any of those hunting guns. You do not find anything of that kind in the city of Habana.

Q. The sale of them is prohibited?—A. Yes; as contraband of war. And now I hear the later report is they consider corn as a contraband of war, too.

Q. Well, you raise corn in plenty in the interior of Cuba, do you not?—A. Yes, sir.

Q. How many crops of corn can you raise in a year in the interior of Cuba?—A. Well, horses are contraband of war, too, and the people of Cuba can not have horses. They have to give all the horses to the Government as contraband of war; and now corn is a contraband of war, too. The trade of Habana has been wretched. They have no trade. All grocery stores are empty; nobody spends a single cent in

any store. They have no money, and the Spanish people have been going away from the Island of Cuba.

Q. Do you have any paper money at all in Cuba?—A. No, sir; they have silver and copper and gold. I believe the Spanish people in Cuba—those in business—are all in favor of the rebellion, because if the Spanish Government takes possession of the island again they will have to pay the last debt and this additional debt. They have to pay about \$35,000 a day, and this is the interest of the debt; but they do not know how much the debt is. They call it \$35,000 a day, and every day. They get it from the custom-house.

Senator MORGAN. Now I will read this paper to you.

Senator Morgan read the paper, as follows:

To the Honorable Chairman of the Foreign Relations Committee, United States Senate.

DEAR SIR: On the 12th day of September, 1895, I received authority from the inspector-general to organize and maintain sanitary delegations at different points throughout the island of Cuba. I have now in my possession the original copy of said certificate of permission, signed officially.

The by-laws were approved on November 18, 1895, copy of which I hand you herewith. I would call special attention to article 2 of chapter 1, by which it will be seen I was permitted to constitute neutral camps.

I, with some other doctors and Christian people, some of whom were American citizens, organized the White Cross, in conformity with said by-laws.

While General Campos was in command the rules of civilized warfare were strictly enforced by his orders.

After General Weyler assumed command we were summoned before him and instructed not to treat or otherwise care for sick and wounded among the soldiers of the insurgents, as we had been permitted to do under the administration of General Campos.

Since the time General Weyler has been in command we have treated about 700 Spanish soldiers, each case being reported to him, at a cost to us of about \$5,000, and before he assumed command we had treated about 1,300 Spanish soldiers.

During the time General Campos was in command our delegations treated the sick and wounded of both the insurgents and the Spanish alike.

During the prosecution of this work I have been a great deal out on the fields and have had good opportunities of making observations of the practices and character of the warfare of both armies.

I have seen the general order issued by Gen. Maximo Gomez, directing that all prisoners captured from the Spanish army should be treated with proper consideration. That first they should be disarmed, then offered an opportunity to join the insurgent ranks. If they declined to do this voluntarily then they must be released without parole and escorted to some point of safety. The same order further directed that Spanish prisoners who were either sick or wounded should be nursed and carefully treated until well when, if they do not desire, voluntarily, to join the insurgent ranks, they must be released and conveyed under military escort to a point of safety. It was also ordered by General Gomez that no women should be molested or interfered with by any insurgent soldiers under penalty of death.

Those entire general orders are now in force and have been since the

beginning of the insurrection. They are very positive, and severe penalties are provided for their violation.

From my personal observation I know these orders have been strictly enforced. I know of one instance where, in the town of Jamaica, an insurgent soldier violated these orders by laying his hands upon a woman with criminal intent. For this offense he was ordered to be shot, and I saw his body after he had been executed.

I have personal knowledge of this order in regard to the release of prisoners having been complied with.

At Peralego I saw General Maceo return to General Campos, at Bal-lamo, about 150 prisoners, and at Camaguani I saw Rego return to the Spanish authorities 100 prisoners.

I have also had opportunities for observing the methods of warfare and cruelties practiced by General Weyler. It is well known to the residents of Cuba that his record is one of cruelty and blood. I can substantiate the following incidents which have come under my own observation.

At Menocol farm, near Managua, on the 3d day of February, 1896, I was called to attend a woman who had been shot, the bullet entering her shoulder and ranging down her spinal column. I saw her at 4 p. m. The circumstances as related to me by her husband were as follows:

He was engaged plowing near his own home and the woman, his wife, was in the field with him dropping the seed. As soon as the Spanish soldiers, under command of General Ruiz, approached in view, they (the Spanish soldiers) commenced firing. Both the husband and wife lay down on the ground, and in that position she was shot. As the husband was lying down he held a small limb of a tree; this was struck with one of the shots. I treated the wound. They were non-combatants, unarmed, and pursuing their legitimate vocation in their own field; their only offense was that they were Cubans. There were at the time no insurgents within 20 miles of them.

On February 22, 1896, I was present at the city of Punta Braba where a battle was fought between the insurgents and the Spanish under command of Captain Calvo. The insurgents retreated. The Spanish troops then went to Guatao, a suburb about 2 miles distant. The insurgents were not there and had not been there. The Spanish soldiers at once commenced to shoot private citizens indiscriminately on the streets or in their houses, wherever they found them, until they had killed six or seven men (noncombatants).

The soldiers then went into different homes and gathered together 17 men; they tied these together two and two, binding their hands and arms together. Among the number was Mr. Ladislao Quintero, an American citizen, who they found in his own home, sick in bed. He informed the captain that he was an American citizen and protested against being molested. Captain Calvo said he wanted him, too, and forced him to go, bound with the others. When they were all tied they were taken out together on the street and commanded to kneel down. After they had done so, then the whole company fired on them by command of the captain. The whole of the 17 were killed, except Mr. Quintero. He was wounded in the left arm and the man to whom he was tied was killed with all the others. This all occurred at 7.30 p. m., on February 22, in the immediate presence of the wives and children of the unfortunate men. Mr. Quintero was about 21 years of age, born in Key West, Fla. The man to whom he was tied, Mr. Pedro Amador, was 17 years of age.

Mr. Pedro Amador was not killed by the gunshot wound he received,

but one of the Spanish soldiers stepped forward to his prostrate body and beat him to death with the butt end of his gun while he was still tied to Mr. Quintero, the American citizen. I was present and saw this entire proceeding. When I returned to Habana I learned that Mr. Quintero was in Morro Castle, a prisoner, where he remained until April 11 without having his wound dressed. On April 11 he was released.

I am informed by persons in Habana, who have been prisoners in Morro Castle, that there are in this prison as many as 100 prisoners confined in one small room. That in the morning they are furnished with only three pails of water. This is generally used up by 11 o'clock a. m. and they are not allowed any more until the following morning.

In the case of Mr. Edward Delgado, from Banao, an American citizen who has a claim against the Spanish Government, his papers being on file in the Department of State at Washington, you will find by reference thereto that I was the physician who certified to his wounds. I am familiar with this case, and it is a very aggravated case of extreme cruelty to a private American citizen at his own home without provocation.

The following is only a few of the many cruel incidents that have occurred while I was present:

When the military courts inflicted the sentence of perpetual imprisonment in the cases of Messrs. Sabourin, Garcia, and others, the Captain-General protested against their leniency and asked for the infliction of the death penalty.

On the 12th of March I was called by the sanitary delegation of our society in the town of Calvario for the purpose of attending to the case of a young man of 19 years, who was wounded in the peaceful pursuit of his business—that of a milk dealer. He was driving into the town in his milk cart when two soldiers fired on him from an ambush without any warning, breaking his right leg.

I assisted in carrying the man to his home, and then made an examination of his wound and found that the bones of his leg had been fractured in such a manner that amputation was necessary. I found that the bullet used was an explosive one made as follows: An outside covering of copper filled with lead, which results in the copper covering flattening against the lead and scattering it in such a manner as to destroy all surrounding tissues and compound the fractures of the bones.

On the 13th of March, at the corner of Reina and Aguila streets, Habana, I found a crowd collected around a prostrate man, and, as a member of the White Cross Society, I proceeded to render him whatever aid was necessary. I found the man dead, and counted and made an examination of his wounds. He had 71 bayonets wounds, 7 of which were through the heart and several through the eyes. He also had 4 cuts with the machete on the head, the skull being fractured into small pieces. The ferocity of the soldiers was also shown by the marks in the sidewalk made by the point of the bayonet after having passed through the prostrate form of the man. The cause of the killing was as follows: The murdered man was in a dry goods store purchasing cloth when the two soldiers entered and, after insulting the proprietor, took this man out and killed him in the manner related, saying he was an insurgent. The man had no arms whatever on his person, and could not, therefore, defend himself in any way. I wrote out a statement of his wounds and gave it to the judge in the case, who holds a position similar to that of coroner in this country.

On the 14th of the same month I, as vice-president of the White

Cross Society, received a report from the town of Artemisa, telling me that the Spanish troops under Gen. Suarez Inclan had bombarded an insurgent hospital, killing over 50 wounded men who were receiving treatment there, and that the surgeon had been compelled to flee to Habana hidden in a cart. Upon his arrival at Habana he confirmed the report made to me. In Artemisa the ladies of our society had two hospitals, one for wounded Spaniards and one for wounded Cubans, the latter being the one bombarded, as told. The insurgent forces have entered the town of Artemisa several times, but have never disturbed the Spanish hospital, although they could have easily done so if they wished.

Another insurgent hospital in the town of Paso Real, Province of Pinar Del Rio, was also destroyed by the Spaniards, killing all the wounded inmates. It is reported that at the time of destruction there were about 200 wounded Cubans in it.

The same thing was done with another hospital in Sigüanea, Province of Santa Clara.

Notwithstanding the proclamation of the Captain-General that all those surrendering would be pardoned, Mr. Aleman, who surrendered, and who also had a wound in the hand, was shot a few days later on the plea that his wound showed that he had been fighting.

In the woman's jail in Habana there is a lady who has been imprisoned for the last six months solely because she is suspected of being in sympathy with the insurgents' cause and because she has two brothers in the insurgent army. There are imprisoned, as rebel sympathizers, several children, the age of the youngest being 11 years.

When an armed force approaches any of the interior towns there is great excitement and consternation until it is ascertained whether they are Spanish troops or insurgent forces. If insurgent forces there is immediate tranquillity, as they do not destroy anything unless there are Spanish forces located there. But if the approaching troops turn out to be Spanish forces there is great confusion and fear, as the Spaniards not only sack the town but steal all they desire and also take all detachable woodwork to be used in building their huts. They destroy everything that comes in their way, take complete possession of the houses, violate women in many cases, and commit nuisances in the middle of the streets. They claim to go into the towns for the purpose of defending them against the insurgents, but on the approach of the latter they take refuge in the houses and do not come out until the town is set fire to by the insurgents for the purpose of driving them out. I have personally seen all this in more than ten cases.

On the 13th of March I went to the town of Caimito for the purpose of leaving medicines, bandages, etc. On arriving there I was informed that there were two wounded children at the farm known as "Saladriga." I went to their assistance, but found they had already received medical treatment. The eldest of these was 1 year and 6 months old, and had suffered a fracture of the right arm caused by a bullet wound. The other was 3 months old and had suffered a fracture of the lower jaw from a similar cause. I was informed that 2 miles from this place the insurgents had attacked a troop-laden train without success. The Spanish troops left the train to reconnoiter and took the road on which the insurgents had passed. On this road lived the mother of these two children. Fearing that some harm might befall them, she decided to seek shelter elsewhere. Upon her appearance at the door with two children in her arms, she was fired at with the above results. These Spanish troops were under Commander Calixto Ruiz.

On the 19th of March I went with my brother, Alfred, to the town of Bainoa for the purpose of attending to Mr. Venancio Pino, 70 years of age, who was wounded at the same time as Mr. Delgado. I found that he had several slight bullet wounds in the head, but his right arm had been horribly fractured, necessitating amputation at the shoulder joint. The bone had been fractured into many pieces, and was caused by a bullet similar to the one in the case of the milk dealer spoken of before.

On the 8th of April, at the farms near the town of Campo Florida, the Spanish troop under Commander Fondevilla assassinated Mr. Ramon Castellanos, 19 years of age; Joaquin Medina, 14 years old; Jose J. Ochoa, 30 years, and a schoolmaster 35 years of age; Domingo Luzans, 36 years; Margarito Zarza, 50 years; Camilo Cejas, 40 years old; Jose Valdes, 14 years old; Manuel Martinez, 40 years old. These were buried at a point between the sugar estate of Tivo Tivo and the town, the Spaniards forcing the victims to dig their own graves before murdering them.

For the purpose of brevity, I will give the number of noncombatants assassinated each day. I have their names and can furnish them if required.

On the 9th of April, 4.

On the 15th, between Campo Florida and the sugar estate of Felicia, 10, whose corpses were left without interment.

On the same day, on the road between Guanabacoa and Bacuranao, 5 persons, 2 of whom were cousins of mine.

Over 100 persons were shot within a radius of 10 miles and not distant more than 6 miles from Habana, and within a period of fifteen days.

All of these were noncombatants.

The case against Julio Sanguilly, the imprisoned American citizen, is purposely delayed so as to keep him incarcerated.

In the case of my brother and myself, we were persecuted for the reason that we were American citizens and had charge of American church institutions in Habana.

During the excitement attending the passage of the belligerency resolutions in Congress two dynamite bombs were placed in the church and exploded while we were holding service, but only resulted in the breaking of glass and causing a panic in the congregation. Our house was searched, but nothing incriminating was found, but we were arrested and imprisoned eight days, being released on the condition that we leave Cuba immediately. I would say that no charges were made against us. We immediately left Cuba.

Mr. Toledo, an American citizen employed as a Bible distributor by the American Bible Society, was imprisoned in the town of Jaruco, and has mysteriously disappeared, and it is believed that he has been murdered.

My brother and I are here for the purpose of laying these facts before your committee and to urge the honorable Senate to either recognize the belligerency of the Cubans or to have the United States intervene or the sake of humanity and civilization. Those are the only methods of putting a stop to these frightful barbarities.

Yours, respectfully,

A. J. DIAZ.

Senator MORGAN. Do you swear to all that?

A. Yes, sir.

Senator MORGAN. Then please sign it.

The witness then signed the paper.

ADDITIONAL JUDGMENTS RENDERED BY THE COURT OF
CLAIMS.

MARCH 1, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY, TRANSMITTING, IN COMPLIANCE WITH SENATE RESOLUTION OF FEBRUARY 24, 1897, A LIST OF ADDITIONAL JUDGMENTS RENDERED BY THE COURT OF CLAIMS, WHICH HAVE BEEN PRESENTED TO THE TREASURY DEPARTMENT AND REQUIRE AN APPROPRIATION FOR THEIR PAYMENT.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., March 1, 1897.

SIR: In compliance with the resolution of the Senate of the 24th ultimo, I have the honor to transmit herewith a list of additional judgments rendered by the Court of Claims, amounting to \$541,665.95, which have been presented to this Department, and require an appropriation for their payment.

Respectfully, yours,

W. E. CURTIS,
Acting Secretary.

The PRESIDENT OF THE SENATE.

Judgments of the Court of Claims.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
ALAMEDA, CAL.						
20519	Edward J. Rennell ...	1897. Jan. 21	\$274. 62	1897. Jan. 25	1897. Apr. 21	Extra pay as letter carrier under act May 24, 1888. Do. Do. Do. Do.
20519	William C. Forsyth, jr ...do	do	185. 99	do	do	
20519	Herbert Hamma.....do	do	191. 38	do	do	
20519	Frank H. Spink.....do	do	274. 62	do	do	
20519	Adolphus W. Marsh...do	do	180. 29	do	do	
Total			1,106. 90			
ABILENE, KANS.						
19768	Harvey D. Focht.....	Jan. 21	153. 53	Jan. 25	Apr. 21	Do.
19768	Alva V. Nutt.....do	do	321. 82	do	do	Do.
19768	Howard P. Seeds.....do	do	336. 18	do	do	Do.
Total			811. 53			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
ASPEN, COLO.						
19778	Harry J. Sears.....	1897. Feb. 17	\$174.18	1897. Feb. 18	1897. May 17	Extra pay as letter carrier, under act May 24, 1888.
19778	Josiah W. Westcott.....	do	35.47	do	do	Do.
19778	Eddie Hart.....	Feb. 25	201.65	Feb. 25	May 26	Do.
19778	John S. Thorn.....	do	530.93	do	do	Do.
19778	Clyde Walker.....	do	142.23	do	do	Do.
20523	Jacob S. Fritz.....	Feb. 17	138.23	Feb. 18	May 17	Do.
	Total		1,222.69			
APPLETON, WIS.						
18500	George S. Lewis.....	Feb. 8	241.96	Feb. 10	May 9	Do.
18885	Dudley Ryan.....	do	231.31	Feb. 12	do	Do.
	Total		473.27			
ARKANSAS CITY, KANS.						
19658	John S. Daniels.....	Feb. 8	56.74	Feb. 11	May 9	Do.
AUSTIN, TEX.						
16998	Thos. A. Black.....	Feb. 20	108.90	Feb. 23	May 21	Do.
16998	Thos. J. D. Cotton.....	do	99.89	do	do	Do.
16998	Wm. J. F. Hinrichs.....	do	99.89	do	do	Do.
16998	Chas. L. Mitchell.....	do	99.99	do	do	Do.
16998	Paul Reichow.....	do	99.89	do	do	Do.
16998	Morgan T. White.....	do	64.83	do	do	Do.
18540	E. W. Shands, jr.....	do	70.56	Feb. 26	do	Do.
18596	G. W. Rimassa.....	do	94.12	do	do	Do.
	Total		737.97			
ALLENTOWN, PA.						
17188	Thomas J. Reimer.....	Feb. 24	515.82	Feb. 24	May 25	Do.
17190	Milton H. Walt.....	do	184.75	do	do	Do.
17509	Frederick Kunkle.....	do	161.21	do	do	Do.
17508	Dennis D. Shields.....	do	307.85	do	do	Do.
19034	Henry Yheulon.....	do	94.63	do	do	Do.
19034	Jarius Bernhard.....	do	21.91	do	do	Do.
17189	Francis Morrell.....	do	221.11	do	do	Do.
19830	Harry A. Blank.....	do	110.63	do	do	Do.
19830	Charles C. Bookmiller.....	do	23.72	do	do	Do.
19830	Elmer E. Edinger.....	do	108.58	do	do	Do.
19830	Edwin J. Heim.....	do	141.59	do	do	Do.
19830	W.T. Archibald Lester.....	do	59.33	do	do	Do.
19830	Harry L. Quier.....	do	117.93	do	do	Do.
19830	Harvey C. Roth.....	do	139.61	do	do	Do.
19830	Charles S. Stettler.....	do	139.61	do	do	Do.
19830	William A. Wenzel.....	do	28.98	do	do	Do.
19830	Franklin F. Willenbecher.....	do	139.61	do	do	Do.
19931	Newton C. Lazarus.....	do	112.68	do	do	Do.
19931	Maria Seip, administratrix of Harry F. Seip.	Feb. 25	128.51	Feb. 26	May 26	Do.
	Total		2,758.06			
ALTOONA, PA.						
19123	George W. Amheiser.....	Feb. 25	290.03	Feb. 25	May 26	Do.
19123	Orville E. Babcock.....	do	304.34	do	do	Do.
19123	John Beaver.....	do	141.43	do	do	Do.
19123	William A. Black.....	do	277.83	do	do	Do.
19123	John F. Costlow.....	do	304.34	do	do	Do.
19123	Jacob C. Hagerty.....	do	304.34	do	do	Do.
19123	Adam Leake.....	do	283.32	do	do	Do.
19123	Frank G. McKillip.....	do	141.43	do	do	Do.
19123	Celestine McMullen.....	do	279.43	do	do	Do.
19123	James M. Stevens.....	do	304.34	do	do	Do.
19123	Herman L. Smith.....	do	98.37	do	do	Do.
18468	George E. Gracey.....	do	365.98	do	do	Do.
18468	John D. Yerger.....	do	321.87	do	do	Do.
	Total		3,417.05			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
BATON ROUGE, LA.						
20050	Beverly V. Baranco...	1897. Jan. 28	\$39.39	1897. Feb. 8	1897. Apr. 28	Extra pay as letter carrier, under act May 24, 1888.
20050	Sterling J. Barrow.....	do	39.39	do	do	Do.
20050	Samuel J. Forest.....	do	39.39	do	do	Do.
20050	James B. Taylor.....	do	39.39	do	do	Do.
	Total		157.56			
BELOIT, WIS.						
19266	John Donnelly.....	Feb. 17	192.62	Feb. 19	May 18	Do.
19266	Edward F. Hansen, admr. of Charles L. Hansen.	do	192.62	do	do	Do.
19266	Dennis H. Richards ..	do	208.53	do	do	Do.
	Total		593.77			
BLOOMINGTON, ILL.						
16987	George Adams.....	Feb. 8	118.29	Feb. 11	May 9	Do.
16987	James S. Arnsperger...	do	129.10	do	do	Do.
16987	William R. Bach.....	do	125.40	do	do	Do.
16987	Chas. A. Brittingham..	do	51.15	do	do	Do.
16987	Dixon M. Briscoe.....	do	640.29	do	do	Do.
16987	Albert Dyke.....	do	124.42	do	do	Do.
16987	George W. Eldridge...	do	640.29	do	do	Do.
16987	Alex. G. Erickson.....	do	454.61	do	do	Do.
16987	John W. Ferry.....	do	28.06	do	do	Do.
16987	Michael T. Finnan.....	do	129.10	do	do	Do.
16987	Henry H. Gerbhardt...	do	454.61	do	do	Do.
16987	James W. Keeran.....	do	101.55	do	do	Do.
16987	Michael A. Leary.....	do	454.61	do	do	Do.
16987	Charles C. Loch.....	do	454.61	do	do	Do.
16987	Charles W. Poulton...	do	451.11	do	do	Do.
16987	Talbot O. Pratt.....	do	129.10	do	do	Do.
16987	Harry Swearingen.....	do	454.61	do	do	Do.
16987	John T. Taylor.....	do	129.10	do	do	Do.
16987	Willard W. Whittier...	do	463.96	do	do	Do.
	Total		5,533.97			
BLOOMFIELD, N. J.						
18143	W. Wallace Cadmus...	1873. Feb. 18	20.21	Feb. 19	May 19	Do.
18143	William H. Hall.....	do	60.02	do	do	Do.
18143	Samuel G. Hayter.....	do	49.29	do	do	Do.
18143	Walter L. Tower.....	do	48.26	do	do	Do.
	Total		177.78			
BATAVIA, N. Y.						
19927	Ira Howe.....	1897. Feb. 18	199.78	Feb. 19	May 19	Do.
19927	Martin E. Vrooman...	do	93.54	do	do	Do.
	Total		293.32			
BETHLEHEM, PA.						
19033	Alfred S. Dech.....	Feb. 20	31.55	Feb. 23	May 21	Do.
19033	Harvey L. Stuber.....	do	28.40	do	do	Do.
18090	Charles A. Troxell.....	do	113.47	do	do	Do.
19964	Eugene A. Brunner...	do	208.35	do	do	Do.
19964	Jacob T. Daily.....	do	196.00	do	do	Do.
19964	Preston P. Frankenfeld.	do	80.33	do	do	Do.
19964	Charles W. Huber.....	do	124.17	do	do	Do.
19964	John J. Kechline.....	Feb. 25	79.69	Feb. 27	May 26	Do.
	Total		861.96			
CANTON, ILL.						
18565	Charles W. Hollingsworth.	Jan. 28	83.11	Feb. 8	Apr. 28	Do.
18565	George W. Barker.....	do	83.11	do	do	Do.
18565	John H. Wyckoff.....	do	82.91	do	do	Do.
	Total		249.13			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable if not appealed.	Nature of claim.
	CHICAGO, ILL.					
18407	George F. Trossen ...	1897. Feb. 20	\$215.75	1897. Feb. 23	1897. May 21	Extra pay as letter carrier under act May 24, 1888.
18407	Thomas F. Tobin.....	do	26.60	do	do	Do.
18407	George J. Schaller.....	do	26.60	do	do	Do.
18407	Thomas H. Lally.....	do	116.87	do	do	Do.
18407	Charles E. Wainwright.	Feb. 24	82.51	Feb. 24	May 25	Do.
18473	Christian H. Yeackley	Feb. 20	234.17	Feb. 23	May 21	Do.
18470	Garrett Irwin.....	do	571.30	do	do	Do.
18470	Benjamin F. Kay.....	do	498.17	do	do	Do.
19533	Adolph C. Anderson.....	do	54.65	do	do	Do.
19533	Emil A. Anderson.....	do	234.22	do	do	Do.
19533	Charles Anderson.....	do	129.33	do	do	Do.
19533	Hugh J. Armstrong.....	do	95.04	do	do	Do.
19533	Ignatz Berger.....	do	185.20	do	do	Do.
19533	George J. Bader.....	do	706.57	do	do	Do.
19533	William Bachman.....	do	355.86	do	do	Do.
19533	Christopher Blake.....	do	81.02	do	do	Do.
19533	Boyd D. Blackshear.....	do	81.02	do	do	Do.
19533	John Burns.....	do	246.17	do	do	Do.
19533	Wm. L. J. Burmeister.....	do	160.96	do	do	Do.
19533	Timothy B. Bannon.....	do	187.29	do	do	Do.
19533	Moir Cochrane.....	do	293.27	do	do	Do.
19533	Henry L. Crosby.....	do	121.42	do	do	Do.
19533	Thomas E. Croake.....	do	372.29	do	do	Do.
19533	Michael J. Casey.....	do	184.09	do	do	Do.
19533	Adolph G. Carell.....	do	123.27	do	do	Do.
19533	Will L. Clifford.....	do	211.58	do	do	Do.
19533	William J. Convey.....	do	195.50	do	do	Do.
19533	Henry Coombs.....	do	123.27	do	do	Do.
19533	Valmore J. Duga.....	do	110.83	do	do	Do.
19533	John F. Drayer.....	do	482.14	do	do	Do.
19533	Dilliard W. Dempsey.....	do	246.17	do	do	Do.
19533	John De Busi, jr.....	do	206.04	do	do	Do.
19533	Benjamin J. Edwards.....	do	293.27	do	do	Do.
19533	Adolph H. Easter.....	do	247.25	do	do	Do.
19533	Ernest Ewert.....	do	195.50	do	do	Do.
19533	Edward J. Fitzgerald.....	do	345.10	do	do	Do.
19533	James H. Gage.....	do	304.94	do	do	Do.
19533	Charles W. Griffith.....	do	686.98	do	do	Do.
19533	Will C. Hyde.....	do	177.40	do	do	Do.
19533	Charles A. Hintze.....	do	278.01	do	do	Do.
19533	Morris Holt.....	do	128.43	do	do	Do.
19533	Arthur O. Jeffrey.....	do	195.50	do	do	Do.
19533	Carl Klose.....	do	35.06	do	do	Do.
19533	Fred J. Kievlan.....	do	39.85	do	do	Do.
19533	William C. Kater.....	do	255.20	do	do	Do.
19533	Charles Krase.....	do	128.85	do	do	Do.
19533	Philip H. Kirkwood.....	do	85.56	do	do	Do.
19533	Samuel R. Kew.....	do	472.94	do	do	Do.
19533	Ambrose Lammey.....	do	365.65	do	do	Do.
19533	John P. Larsen.....	do	293.27	do	do	Do.
19533	Frank A. Lindstein.....	do	39.80	do	do	Do.
19533	Charles Line.....	do	82.22	do	do	Do.
19533	Charles F. Loken.....	do	40.00	do	do	Do.
19533	Henry C. Loehr.....	do	82.09	do	do	Do.
19533	Thomas Loftus.....	do	293.27	do	do	Do.
19533	Peter Meyers.....	do	33.62	do	do	Do.
19533	Thomas F. Maher.....	do	45.58	do	do	Do.
19533	Osman Mauritzon.....	do	217.50	do	do	Do.
19533	John Massey.....	do	293.27	do	do	Do.
19533	Harry Mendelson.....	do	38.77	do	do	Do.
19533	Hugo O. Morgelin.....	do	81.02	do	do	Do.
19533	Robt. W. McAndrews.....	do	120.02	do	do	Do.
19533	John H. Newton.....	do	121.42	do	do	Do.
19533	Charles M. Nelson.....	do	40.21	do	do	Do.
19533	Michael O'Dea.....	do	293.27	do	do	Do.
19533	John A. O'Brien.....	do	127.61	do	do	Do.
19533	William O'Brien.....	do	121.69	do	do	Do.
19533	Frank Olszewski.....	do	128.64	do	do	Do.
19533	James C. Orr.....	do	228.25	do	do	Do.
19533	Frank Peterson.....	do	293.27	do	do	Do.
19533	Robert Peterson.....	do	255.20	do	do	Do.
19533	Oluf C. Pedersen.....	do	152.07	do	do	Do.
19533	Walter G. Reynolds.....	do	50.53	do	do	Do.
19533	George W. Russell.....	do	283.13	do	do	Do.
19533	William H. Scatliff.....	do	195.50	do	do	Do.
19533	Frank F. Schwuchow.....	do	195.50	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
CHICAGO, ILL.—cont'd.						
19533	Samuel B. Shaw.....	1897. Feb. 20	\$290.29	1897. Feb. 23	1897. May 21	Extra pay as letter carrier, under act May 24, 1888.
19533	Soren M. Scott.....	do	2,796.77	do	do	Do.
19533	Paul Smith.....	do	242.83	do	do	Do.
19533	George C. Schaefer.....	do	195.23	do	do	Do.
19533	Patrick J. Skelly.....	do	128.64	do	do	Do.
19533	Anthony B. Stluka.....	do	64.07	do	do	Do.
19533	Matthew P. Sullivan.....	do	150.44	do	do	Do.
19533	John M. Schmitz.....	do	20.21	do	do	Do.
19533	Charles H. Smythe.....	do	20.21	do	do	Do.
19533	John C. Sprong.....	do	195.50	do	do	Do.
19533	Alfred E. Suess.....	do	49.50	do	do	Do.
19533	Carl H. Taft.....	do	121.42	do	do	Do.
19533	Anthony Thien.....	do	195.50	do	do	Do.
19533	Dennis E. Tyler.....	do	26.60	do	do	Do.
19533	James Torney.....	do	50.12	do	do	Do.
19533	George M. B. Visser.....	do	255.20	do	do	Do.
19533	Henry A. Witte.....	do	160.14	do	do	Do.
19533	Isaac Wallace.....	do	191.72	do	do	Do.
19533	John H. Wetterlund.....	do	293.27	do	do	Do.
19533	Charles J. Wagenknecht.....	do	221.32	do	do	Do.
19533	William H. Wheeler.....	do	57.96	do	do	Do.
19533	Joseph F. Colford.....	Feb. 24	332.09	Feb. 25	May 25	Do.
19533	Edward W. Daniels.....	do	60.84	do	do	Do.
19533	Rudolph F. Weigand.....	do	348.18	do	do	Do.
18054	Joseph Konapasek.....	do	353.29	do	do	Do.
18054	Anton Zajicek.....	do	353.29	do	do	Do.
18054	Ernst J. Kolberg.....	do	353.29	do	do	Do.
18054	David E. Lindstrom.....	do	353.29	do	do	Do.
18054	Julius Esler.....	do	346.71	do	do	Do.
18054	Patrick Keogh.....	do	353.29	do	do	Do.
18054	J. M. Donahue.....	do	121.42	do	do	Do.
18054	Thomas O'Neill.....	do	433.37	do	do	Do.
18054	Archie McLeod.....	do	33.65	do	do	Do.
18054	Francis Betters.....	do	33.65	do	do	Do.
18054	John K. Clowry.....	do	16.82	do	do	Do.
18054	Fred Schroder.....	do	353.29	do	do	Do.
18054	John Navin.....	do	353.29	do	do	Do.
18054	Otto Gentzcke.....	do	353.29	do	do	Do.
18054	William F. Reimers.....	do	127.61	do	do	Do.
18054	Albert E. Smith.....	do	353.29	do	do	Do.
18054	F. J. H. Wichman.....	do	571.99	do	do	Do.
18054	August J. Golonski.....	do	353.29	do	do	Do.
18054	George J. Meyer.....	do	353.29	do	do	Do.
18054	Peter C. Larsen.....	do	353.29	do	do	Do.
18054	D. R. Barmore.....	do	193.70	do	do	Do.
18054	Robert O. Crawford.....	do	417.15	do	do	Do.
18054	Herman Dahl.....	do	417.15	do	do	Do.
18054	John J. Matthews.....	do	612.34	do	do	Do.
18054	B. Seevy.....	do	317.36	do	do	Do.
18054	Michael Connors.....	do	187.46	do	do	Do.
18054	Samuel M. Girard.....	do	10.11	do	do	Do.
18054	W. W. Fitzgerald.....	do	44.14	do	do	Do.
18054	Jacob T. Escher.....	do	404.10	do	do	Do.
18054	Thomas Kennedy.....	do	428.48	do	do	Do.
18054	Thomas Hennessy.....	do	921.80	do	do	Do.
18054	Joseph M. Smith.....	do	659.83	do	do	Do.
18054	Michael J. Pender.....	do	656.07	do	do	Do.
18054	Henry J. Murray.....	do	438.89	do	do	Do.
18054	M. W. Williams.....	do	722.16	do	do	Do.
18054	Timothy Ryan.....	do	943.47	do	do	Do.
18054	Mathew Minahan.....	do	722.16	do	do	Do.
18054	John J. Donohue.....	do	943.47	do	do	Do.
18054	William H. Horstman.....	do	943.47	do	do	Do.
18054	William F. Tormeohlen.....	do	943.47	do	do	Do.
18054	Daniel Foley.....	do	943.47	do	do	Do.
18054	Michael O'Connor.....	do	349.17	do	do	Do.
18054	Michael Daly.....	do	440.15	do	do	Do.
18054	Michael Becker.....	do	735.70	do	do	Do.
18054	Frank McGire.....	do	266.46	do	do	Do.
18054	Andrew Schodrof.....	do	603.13	do	do	Do.
18054	Frank Goldberger.....	do	36.49	do	do	Do.
18054	William G. Powers.....	do	45.79	do	do	Do.
18054	William H. Rickert.....	do	227.86	do	do	Do.
18054	James Griffin.....	do	943.47	do	do	Do.
18054	Gust Almloff.....	do	140.68	do	do	Do.
18054	M. C. Lavin.....	do	152.64	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
	CHICAGO, ILL.—cont'd.					
17858	Thomas F. Ahern	1897. Feb. 24	\$39.80	1897. Feb. 25	1897. May 25	Extra pay as letter carrier, under act May 24, 1888.
17858	Rudolph R. Albrecht	do	353.29	do	do	Do.
17858	Charles E. Alvord	do	275.00	do	do	Do.
17858	James Anderson	do	943.47	do	do	Do.
17858	Gustav Appelt	do	235.53	do	do	Do.
17858	Walter S. Baker	do	108.37	do	do	Do.
17858	John Bell	do	151.06	do	do	Do.
17858	Bohumil J. Beranek	do	39.59	do	do	Do.
17858	John S. Beston	do	571.30	do	do	Do.
17858	Theodore Bethke	do	140.40	do	do	Do.
17858	Charles Bock	do	353.29	do	do	Do.
17858	Patrick M. Boggan	do	485.68	do	do	Do.
17858	Albert L. Boldon	do	472.94	do	do	Do.
17858	Jacob Born	do	235.91	do	do	Do.
17858	James Brown	do	571.30	do	do	Do.
17858	Michael Buckley	do	136.69	do	do	Do.
17858	Thomas Buckley	do	353.29	do	do	Do.
17858	Charles J. Burman	do	414.58	do	do	Do.
17858	Montello G. Butler	do	180.07	do	do	Do.
17858	Sebastian Butsback	do	277.76	do	do	Do.
17858	James H. Byrnes	do	60.43	do	do	Do.
17858	Patrick Cahill	do	118.65	do	do	Do.
17858	Christopher Callan	do	660.36	do	do	Do.
17858	William F. Campbell	do	42.23	do	do	Do.
17858	August Carlson	do	33.62	do	do	Do.
17858	Thomas J. Carey	do	391.72	do	do	Do.
17858	John C. Condon	do	156.19	do	do	Do.
17858	Wilfred A. Coty	do	293.27	do	do	Do.
17858	Frank G. Crowell	do	571.30	do	do	Do.
17858	Harold A. Dahl	do	353.29	do	do	Do.
17858	John Dahl	do	664.08	do	do	Do.
17858	Olaf M. Dahl	do	168.92	do	do	Do.
17858	Gus R. L. Dahlberg	do	33.20	do	do	Do.
17858	Edward L. Davenport	do	30.31	do	do	Do.
17858	John W. David	do	353.29	do	do	Do.
17858	Frank L. Dayton	do	49.09	do	do	Do.
17858	Edward Delaney	do	448.87	do	do	Do.
17858	Edward DeWitt	do	134.03	do	do	Do.
17858	Charles R. Dillon	do	540.34	do	do	Do.
17858	William Mitchel, administrator of John Dobler	do	180.25	do	do	Do.
17858	Edward J. Doherty	do	27.02	do	do	Do.
17858	Leonard P. J. Farrell	do	251.38	do	do	Do.
17858	Frank F. Faulhaber	do	85.44	do	do	Do.
17858	Bernard J. Ford	do	367.36	do	do	Do.
17858	James Ford	do	96.54	do	do	Do.
17858	Thomas F. Ford	do	98.24	do	do	Do.
17858	William E. Foulkes	do	351.03	do	do	Do.
17858	James Fitzgerald	do	672.93	do	do	Do.
17858	John Fitzgerald	do	71.42	do	do	Do.
17858	Charles Gau	do	417.15	do	do	Do.
17858	Charles T. Gilkerson	do	121.42	do	do	Do.
17858	Fred C. Gollum	do	175.42	do	do	Do.
17858	Paul P. Golonski	do	353.29	do	do	Do.
17858	Henry Goodwin	do	251.38	do	do	Do.
17858	Anthony Gorecky	do	313.41	do	do	Do.
17858	Andrew J. Gowanlock	do	338.21	do	do	Do.
17858	John J. Grady	do	215.21	do	do	Do.
17858	Charles B. Graham	do	130.17	do	do	Do.
17858	Conrad Grau	do	235.53	do	do	Do.
17858	John Grass	do	353.29	do	do	Do.
17858	William F. Gressang	do	498.17	do	do	Do.
17858	Julius Gross	do	347.11	do	do	Do.
17858	Frank F. Guthrie	do	563.60	do	do	Do.
17858	John A. Henderson	do	943.47	do	do	Do.
17858	John F. Hennessey	do	537.52	do	do	Do.
17858	Henry Hildebrecht	do	235.53	do	do	Do.
17858	John Hlavka	do	353.29	do	do	Do.
17858	Harry A. Hodgkinson	do	37.95	do	do	Do.
17858	Charles Hoest	do	634.11	do	do	Do.
17858	James M. Hopper	do	235.53	do	do	Do.
17858	Sidney Houghton	do	498.17	do	do	Do.
17858	Frank A. Hubbell	do	35.26	do	do	Do.
17858	Michael Jennings	do	185.82	do	do	Do.
17858	Olans A. Jentoft	do	219.73	do	do	Do.
17858	Francis Kearney	do	235.53	do	do	Do.
17858	Matthew Kehrig	do	417.15	do	do	Do.

Judgments of the Court of Claims - Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
	CHICAGO, ILL.—cont'd.					
17858	John Killacky.....	1897. Feb. 24	\$472.94	1897. Feb. 25	1897. May 25	Extra pay as letter carrier, under act May 24, 1888.
17858	Michael Kirby.....	do	148.45	do	do	Do.
17858	David M. Lacy.....	do	93.95	do	do	Do.
17858	Thomas Larson.....	do	353.29	do	do	Do.
17858	Patrick Leahy.....	do	622.81	do	do	Do.
17858	John Leatherman.....	do	478.70	do	do	Do.
17858	Henry F. Leege.....	do	251.89	do	do	Do.
17858	Stephen Lipetzky.....	do	336.85	do	do	Do.
17858	Martin J. Long.....	do	470.53	do	do	Do.
17858	John E. Luce.....	do	121.46	do	do	Do.
17858	James E. Manning.....	do	417.15	do	do	Do.
17858	Charles O. Miller.....	do	293.27	do	do	Do.
17858	Irwin S. Miller.....	do	448.26	do	do	Do.
17858	Michael Manion.....	do	568.15	do	do	Do.
17858	John T. Molyneaux.....	do	391.72	do	do	Do.
17858	Michael D. Monaghan.....	do	266.72	do	do	Do.
17858	James F. Monger.....	do	448.26	do	do	Do.
17858	James G. Mullins.....	do	353.29	do	do	Do.
17858	Annie Murphy, administratrix of Owen E. Murphy.	do	185.00	do	do	Do.
17858	William K. McPherson.	do	40.42	do	do	Do.
17858	David J. McBride.....	do	293.27	do	do	Do.
17858	John McCaffrey.....	do	417.15	do	do	Do.
17858	James McCauley.....	do	174.29	do	do	Do.
17858	Charles R. McClure.....	do	571.30	do	do	Do.
17858	John P. McLaughlin.....	do	353.29	do	do	Do.
17858	John McNamara.....	do	326.86	do	do	Do.
17858	Andrew Nelson.....	do	353.29	do	do	Do.
17858	William Charles Northrop.	do	353.29	do	do	Do.
17858	Henry Nurnberger, jr.	do	622.81	do	do	Do.
17858	Thomas O'Brien.....	do	66.26	do	do	Do.
17858	William J. O'Connor.....	do	353.29	do	do	Do.
17858	Oscar Olson.....	do	293.27	do	do	Do.
17858	Samuel H. Osborne.....	do	353.29	do	do	Do.
17858	Fred S. Parker.....	do	433.97	do	do	Do.
17858	James Peterson.....	do	353.29	do	do	Do.
17858	Michael J. Patt.....	do	353.29	do	do	Do.
17858	Joseph C. Patzke.....	do	247.89	do	do	Do.
17858	Charles W. Peck.....	do	396.91	do	do	Do.
17858	Vincent Pescinski.....	do	34.65	do	do	Do.
17858	William M. Prior.....	do	186.68	do	do	Do.
17858	James W. Powers.....	do	379.76	do	do	Do.
17858	Patrick J. Queenan.....	do	330.89	do	do	Do.
17858	Charles Rapp.....	do	353.29	do	do	Do.
17858	Nels P. Rasmussen.....	do	336.12	do	do	Do.
17858	Frederick L. Reinhardt.	do	498.17	do	do	Do.
17858	Ci-della M. L. Reider, administratrix of Joseph R. Reider.	do	719.07	do	do	Do.
17858	John L. Riplets.....	do	336.40	do	do	Do.
17858	Nelson Roney.....	do	571.30	do	do	Do.
17858	Bartholomew Russell.....	do	328.23	do	do	Do.
17858	William J. Ryan.....	do	417.15	do	do	Do.
17858	Morris Sax.....	do	353.29	do	do	Do.
17858	George Schomburg.....	do	472.94	do	do	Do.
17858	Moritz Schwein.....	do	179.57	do	do	Do.
17858	Arthur A. Sheldon.....	do	504.01	do	do	Do.
17858	John H. Siegmler.....	do	294.24	do	do	Do.
17858	James F. Slattery.....	do	111.40	do	do	Do.
17858	Frank A. Smalley.....	do	121.42	do	do	Do.
17858	John J. Smith.....	do	323.89	do	do	Do.
17858	Thomas H. Smith.....	do	622.81	do	do	Do.
17858	Emmett M. Stage.....	do	476.39	do	do	Do.
17858	Edward C. Stevens.....	do	317.36	do	do	Do.
17858	James Stott.....	do	353.29	do	do	Do.
17858	James Suchy.....	do	306.70	do	do	Do.
17858	Edmond J. Sullivan.....	do	21.03	do	do	Do.
17858	Eugene W. Sullivan.....	do	126.98	do	do	Do.
17858	Sigmund Sussland.....	do	160.04	do	do	Do.
17858	John H. Syme.....	do	145.23	do	do	Do.
17858	Henry D. Tallman.....	do	121.42	do	do	Do.
17858	Herman C. Vandenberg.	do	180.07	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
CHICAGO, ILL.—cont'd.						
17858	William Weber.....	1897. Feb. 24	\$353.29	1897. Feb. 25	1897. May 25	Extra pay as letter carrier, under act May 24, 1888.
17858	George B. Wheeler	do	64.90	do	do	Do.
17858	Chester M. White	do	367.02	do	do	Do.
17858	Frank J. Willi.....	do	293.27	do	do	Do.
17858	Charles L. Weir.....	do	417.15	do	do	Do.
17858	Thomas M. Wiltsie....	do	571.30	do	do	Do.
17858	Jerome Wiltsie.....	do	381.09	do	do	Do.
17858	Thomas J. Walsh.....	do	456.39	do	do	Do.
17858	John H. Watzke.....	do	180.07	do	do	Do.
17858	Hannah P. Edmon- son, executrix of George M. Edmon- son.	do	534.23	do	do	Do.
17858	William A. Corning...	do	31.93	do	do	Do.
17858	John M. Ingraham....	do	262.30	do	do	Do.
17858	Rufus H. Norton	do	92.36	do	do	Do.
17858	August T. Reichmann ..	do	33.65	do	do	Do.
17858	Friend A. Smith.....	do	76.22	do	do	Do.
17858	Philip Solomon.....	do	184.08	do	do	Do.
17858	Nels P. Sorensen	do	169.17	do	do	Do.
17858	William Quinlan	do	353.29	do	do	Do.
17858	Frank A. Blatherwick ..	do	467.27	Feb. 24	May 25	Do.
17858	James Connell.....	do	347.66	do	do	Do.
17858	Charles Enders.....	do	211.97	do	do	Do.
17858	Henry Geering, jr....	do	203.79	do	do	Do.
17858	Edwin R. F. Hart.....	do	104.03	do	do	Do.
17858	Berent J. Hermanson ..	do	530.11	do	do	Do.
17858	Edward H. Krapp.....	do	698.67	do	do	Do.
17858	Walter Wilson.....	do	174.49	do	do	Do.
17858	Joseph Kohn.....	Feb. 25	172.70	Feb. 25	May 26	Do.
17858	Minnie Niedert, ad- ministratrix of H. Ernest Niedert.	do	24.75	do	do	Do.
17858	Helen Renich, admin- istratrix of Emil Renich.	do	781.77	do	do	Do.
Total			94,853.29			
CHARLESTON, S. C.						
17945	Joseph W. Bampfield..	Feb. 25	169.74	Feb. 23	May 24	Do.
17945	John M. Begley.....	do	947.74	do	do	Do.
17945	Frederick S. Boston...	do	467.71	do	do	Do.
17945	John E. Craig.....	do	1,111.68	do	do	Do.
17945	St. Cyprian Delaney..	do	587.09	do	do	Do.
17945	Melville G. Doniphan..	do	103.54	do	do	Do.
17945	Samuel J. Downing....	do	319.06	do	do	Do.
17945	William L. Downing....	do	1,760.96	do	do	Do.
17945	William S. Elfe.....	do	1,104.03	do	do	Do.
17945	Lambert C. Gilbert....	do	976.18	do	do	Do.
17945	Patrick J. Hanley.....	do	1,138.31	do	do	Do.
17945	John B. Hartnett.....	do	957.67	do	do	Do.
17945	Thomas J. Kelly.....	do	901.07	do	do	Do.
17945	Harry W. G. Kennedy, jr.	do	329.40	do	do	Do.
17945	John L. Kiley, admin- istrator of James E. Kiley.	do	838.59	do	do	Do.
17945	Nellie Knauff, admin- istratrix of Thomas J. Knauff.	do	872.70	do	do	Do.
17945	Charles J. Laurey.....	do	178.39	do	do	Do.
17945	Joseph J. Lessene....	do	1,128.31	do	do	Do.
17945	Lawrence K. Lewis....	do	542.82	do	do	Do.
17945	William H. McCue.....	do	1,104.03	do	do	Do.
17945	William P. McGarey....	do	512.02	do	do	Do.
17945	Benjamin L. Mat- thews.	do	1,128.31	do	do	Do.
17945	John J. Moloney.....	do	576.15	do	do	Do.
17945	William J. Morrissey..	do	1,128.31	do	do	Do.
17945	Mary F. Pils, admin- istratrix of James P. Murray.	do	43.73	do	do	Do.
17945	Francis E. Nohrden ..	do	518.78	do	do	Do.
17945	William C. Nohrden..	do	244.91	do	do	Do.
17945	Alexander R. O'Don- nell.	do	1,128.31	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
CHARLESTON, S. C.—CON.						
17945	Victor R. Salvo.....	1897. Feb. 25	\$117.77	1897. Feb. 23	1897. May 24	Extra pay as letter carrier, under act May 24, 1888.
17945	Thomas J. Sheehan	do	1,111.68	do	do	Do.
17945	Benjamin F. Smalls.....	do	1,128.31	do	do	Do.
17945	Albertus Stender.....	do	77.56	do	do	Do.
17945	Michael J. Walsh.....	do	1,128.31	do	do	Do.
Total			24,383.17			
CAIRO, ILL.						
19635	James Barrow.....	Feb. 17	186.38	Feb. 18	May 18	Do.
19635	Charles B. Dewey	do	19.18	do	do	Do.
19635	Frank W. Koehler.....	do	186.37	do	do	Do.
19635	Casper Yost	do	92.70	do	do	Do.
18820	Albert Frost.....	do	69.29	Feb. 19	do	Do.
18820	Richard Taylor.....	do	198.14	do	do	Do.
Total			752.06			
CARLISLE, PA.						
18988	Harry G. Brown.....	Feb. 17	177.06	Feb. 19	May 18	Do.
18988	Charles A. Peffer	do	52.69	do	do	Do.
18988	Christian K. Reighter.....	do	150.13	do	do	Do.
18988	Harry G. Rinehart.....	do	180.98	do	do	Do.
18988	Grove Rollin.....	do	139.03	do	do	Do.
18988	George B. Totton	do	173.20	do	do	Do.
Total			873.09			
CHIPPEWA FALLS, WIS.						
19267	Michael Thornton.....	Feb. 17	356.16	Feb. 19	May 18	Do.
19267	John Parent.....	do	356.16	do	do	Do.
19267	August I. Bruce.....	do	175.84	do	do	Do.
19267	Henry Herbert.....	do	175.84	do	do	Do.
Total			1,064.84			
COLORADO SPRINGS, COLO.						
17933	Alice L. Daniels, ad- ministratrix of Wil- liam A. Daniels.	Feb. 17	500.00	Feb. 18	May 18	Do.
17933	Richard O'B. Dunning	do	243.85	do	do	Do.
17933	Philip H. Edwards	do	155.60	do	do	Do.
17933	James H. Everett.....	do	45.79	do	do	Do.
17933	Harry E. Somerville	do	61.84	do	do	Do.
18786	Robert H. Magee.....	do	572.48	do	do	Do.
18786	Arthur H. Denniss.....	do	280.09	do	do	Do.
18786	Charles E. Knapp.....	do	471.24	do	do	Do.
Total			2,330.89			
CHAMBERSBURG, PA.						
18550	John K. Berger.....	Feb. 18	181.85	Feb. 19	May 19	Do.
18550	Samuel F. Dockter.....	do	209.59	do	do	Do.
18550	Charles W. Newman.....	do	278.84	do	do	Do.
18550	William J. Norton.....	do	205.59	do	do	Do.
18550	Charles S. Schaubla.....	do	278.84	do	do	Do.
18550	William C. Sonnik.....	do	202.87	do	do	Do.
Total			1,357.58			
COLUMBUS, GA.						
17792	Willard H. Boynton	Feb. 18	79.21	Feb. 19	May 19	Do.
17792	Daniel Norman	do	48.77	do	do	Do.
17792	Amos E. Willson	do	71.65	do	do	Do.
20485	Isaac A. Ross.....	do	15.02	do	do	Do.
20568	Robert Lee Reese.....	do	17.46	do	do	Do.
Total			232.11			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
DALLAS, TEX.						
18129	Sterling P. Bowen....	1897. Jan. 28	\$126.18	1897. Feb. 8	1897. Apr. 28	Extra pay as letter carrier, under act May 24, 1888.
18129	Daniel D. Daugherty....	do	139.38	do	do	Do.
18129	Gray O. Dent.....	do	45.02	do	do	Do.
18129	James W. Evans.....	do	107.61	do	do	Do.
18129	William W. Farley....	do	111.86	do	do	Do.
18129	John E. Hess.....	do	208.26	do	do	Do.
18129	Benjamin H. Hill.....	do	30.40	do	do	Do.
18129	William R. Hughes....	do	145.75	do	do	Do.
18129	James H. Jackson....	do	140.20	do	do	Do.
18129	Eleazar P. James....	do	6.81	do	do	Do.
18129	Walter B. Luna.....	do	91.97	do	do	Do.
18129	Robert McCormick....	do	143.70	do	do	Do.
18129	George W. E. Mere- wether.....	do	70.76	do	do	Do.
18129	Thomas H. Nesmith....	do	52.64	do	do	Do.
18129	Irving Purnell.....	do	85.56	do	do	Do.
18129	Alfred Rockhold.....	do	134.55	do	do	Do.
18129	Alexander C. Wells....	do	50.55	do	do	Do.
18129	William Winn.....	do	59.90	do	do	Do.
18129	John K. Withers.....	do	56.35	do	do	Do.
			1,806.55			
DENISON, TEX.						
19517	Cyrus R. Scholl.....	Jan. 28	201.54	Feb. 8	Apr. 28	Do.
DENVER, COLO.						
18400	Albert F. Adams.....	Feb. 24	404.30	Feb. 24	May 25	Do.
18400	Frank E. Bomgardner....	do	367.82	do	do	Do.
18400	Levi M. Bavis.....	do	431.35	do	do	Do.
18400	Lester H. Benton.....	do	360.76	do	do	Do.
18400	Baard A. Brevick.....	do	220.24	do	do	Do.
18400	Joseph H. Brown.....	do	196.26	do	do	Do.
18400	Patrick S. Collins.....	do	586.61	do	do	Do.
18400	Louis C. Connell.....	do	476.51	do	do	Do.
18400	Charles F. Coombs.....	do	242.51	do	do	Do.
18400	Joseph W. Copley.....	do	633.25	do	do	Do.
18400	Joseph Corcoran.....	do	40.01	do	do	Do.
18400	Frank F. Corning.....	do	214.27	do	do	Do.
18400	William L. Duff.....	do	429.50	do	do	Do.
18400	Phillip Duggan.....	do	521.87	do	do	Do.
18400	George D. Dunham.....	do	290.40	do	do	Do.
18400	John B. Gibbs.....	do	28.62	do	do	Do.
18400	Thomas B. Gregory....	do	256.71	do	do	Do.
18400	William Guion.....	do	527.99	do	do	Do.
18400	Harry Foulke.....	do	183.62	do	do	Do.
18400	Daniel J. Fitzgerald....	do	520.02	do	do	Do.
18400	John W. Geary.....	do	47.92	do	do	Do.
18400	Walter Hayden.....	do	297.41	do	do	Do.
18400	Herbert C. Hefner.....	do	18.72	do	do	Do.
18400	George V. Horne.....	do	373.31	do	do	Do.
18400	John N. Huett.....	do	457.32	do	do	Do.
18400	Aaron D. Hurley.....	do	244.78	do	do	Do.
18400	Frank Jansen.....	do	238.83	do	do	Do.
18400	James D. Jordan.....	do	5.16	do	do	Do.
18400	William F. Lazell.....	do	260.46	do	do	Do.
18400	Henry P. Lowery.....	do	313.23	do	do	Do.
18400	Charles R. Mason.....	do	386.42	do	do	Do.
18400	Daniel Mahony.....	do	498.25	do	do	Do.
18400	Edward B. Margetts....	do	65.36	do	do	Do.
18400	Geo. M. K. McDermut....	do	203.42	do	do	Do.
18400	Theodore McGuire.....	do	219.00	do	do	Do.
18400	Joseph C. McMahon.....	do	534.13	do	do	Do.
18400	Arthur Montgomery....	do	97.56	do	do	Do.
18400	William Neuser.....	do	354.28	do	do	Do.
18400	Benjamin F. Newell....	do	302.52	do	do	Do.
18400	Frank M. Newman.....	do	297.99	do	do	Do.
18400	Mary A. Normile, ad- ministratrix of Thomas F. Normile.	do	717.64	do	do	Do.
18400	Samuel L. Phillips.....	do	306.10	do	do	Do.
18400	Theodore C. Polk.....	do	389.88	do	do	Do.
18400	Sheldon R. Purdy.....	do	117.28	do	do	Do.
18400	Harry B. Seaton.....	do	582.47	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
DENVER, COLO.—cont'd.						
18400	Theodore G. Smith...	1897. Feb. 24	\$331.66	1897. Feb. 24	1897. May 25	Extra pay as letter carrier, under act May 24, 1888.
18400	Thomas Scanlon.....	do	58.03	do	do	Do.
18400	Charles Sharp.....	do	17.44	do	do	Do.
18400	Andrew M. Strobe.....	do	336.89	do	do	Do.
18400	Edwin S. Stull.....	do	141.53	do	do	Do.
18400	Joseph R. Taylor.....	do	260.49	do	do	Do.
18400	Roy A. Thayer.....	do	152.81	do	do	Do.
18400	Norwood E. Turner.....	do	336.19	do	do	Do.
18400	Michael J. Welch.....	do	391.50	do	do	Do.
18400	James E. Wood.....	do	41.35	do	do	Do.
18400	Charles J. McIntosh.....	do	248.73	do	do	Do.
18051	Charles Avril.....	do	156.63	do	do	Do.
18051	William R. Ayers.....	do	156.63	do	do	Do.
18051	Cyrus M. Behm.....	do	147.62	do	do	Do.
18051	Herman Bohm.....	do	156.63	do	do	Do.
18051	John L. Brasee.....	do	167.46	do	do	Do.
18051	Joseph E. Brasee.....	do	48.76	do	do	Do.
18051	Retta L. Brissenden, administratrix of James T. Brissenden, deceased.	do	90.96	do	do	Do.
18051	James B. Brown.....	do	75.76	do	do	Do.
18051	George Daniel.....	do	156.63	do	do	Do.
18051	Samuel R. Delzell.....	do	70.51	do	do	Do.
18051	Jesse L. Devalon.....	do	143.93	do	do	Do.
18051	Lemon E. Edmundson.....	do	14.64	do	do	Do.
18051	Clarence Eklund.....	do	166.93	do	do	Do.
18051	Robert B. Forsyth.....	do	56.65	do	do	Do.
18051	Joseph S. Foulke.....	do	241.07	do	do	Do.
18051	A. F. Hornung.....	do	89.23	do	do	Do.
18051	Joseph A. Jacobson.....	do	16.29	do	do	Do.
18051	Albert B. Jones.....	do	32.58	do	do	Do.
18051	Aaron E. Knight.....	do	150.45	do	do	Do.
18051	James P. McConnell.....	do	36.08	do	do	Do.
18051	Addis E. More.....	do	115.24	do	do	Do.
18051	Augustus G. Nahrig.....	do	62.42	do	do	Do.
18051	Nils F. Norlin.....	do	114.78	do	do	Do.
18051	Richard H. Parrish.....	do	18.65	do	do	Do.
18051	Willis A. Phelps.....	do	156.63	do	do	Do.
18051	George S. Powell.....	do	143.93	do	do	Do.
18051	George A. Puffer.....	do	85.98	do	do	Do.
18051	Thomas Reed.....	do	200.27	do	do	Do.
18051	John H. Rhinehart.....	do	153.11	do	do	Do.
18051	Frank C. Richardson.....	do	37.76	do	do	Do.
18051	Frank A. Sargent.....	do	34.23	do	do	Do.
18051	William A. Wilson.....	do	156.63	do	do	Do.
18051	William F. Weltmer.....	do	125.05	do	do	Do.
Total.....			20,158.80			
EAST ORANGE, N. J.						
18442	Elliott Briscoe.....	Jan. 28	192.07	Feb. 1	Apr. 28	Do.
18442	Charles Hetzel.....	do	78.00	do	do	Do.
18442	William Hetzel.....	do	229.00	do	do	Do.
18442	George Imken.....	do	37.74	do	do	Do.
18442	William H. Thompson.....	do	30.00	do	do	Do.
18442	James A. Tormey.....	do	271.40	do	do	Do.
17712	John J. Coen.....	do	339.92	Feb. 2	do	Do.
17712	George J. Holey.....	do	268.64	do	do	Do.
17712	Thomas B. Holey.....	do	285.67	do	do	Do.
Total.....			1,732.44			
EL PASO, TEX.						
17001	John R. Daniells.....	Jan. 28	96.09	Feb. 8	Apr. 28	Do.
17001	Pilar A. Maese.....	do	367.13	do	do	Do.
17001	Lindley A. Spencer.....	do	88.03	do	do	Do.
Total.....			551.25			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
EMPORIA, KANS.						
19336	Charles Douglass.....	1897. Feb. 18	\$238.45	1897. Feb. 19	1897. May 19	Extra pay as letter carrier under act May 24, 1888.
19336	Eugene Fletcher.....	do	260.06	do	do	Do.
19336	Frank N. Folsom.....	do	303.00	do	do	Do.
19336	Harry W. Huffman.....	do	255.10	do	do	Do.
19336	John W. Logan.....	do	286.64	do	do	Do.
19336	John D. Tytherleigh.....	do	303.00	do	do	Do.
18617	Charles K. Salsbury ..	do	106.90	do	do	Do.
18617	Walter Birdsall.....	do	164.44	do	do	Do.
18852	Charles J. Beckwith.....	do	87.62	do	do	Do.
Total			2,005.21			
EAU CLAIRE, WIS.						
19272	Ira P. Flagler	Feb. 18	144.33	Feb. 19	May 19	Do.
19272	Robert J. Hayward.....	do	218.80	do	do	Do.
19272	George A. Huntington.....	do	11.75	do	do	Do.
19272	James H. McGough ..	do	241.56	do	do	Do.
19272	Ole J. Moen	do	241.56	do	do	Do.
14272	Edwin E. Sloggy.....	do	241.56	do	do	Do.
14272	Phineas E. Bent	Feb. 20	80.03	Feb. 23	May 21	Do.
17294	Bernard McCarthy ..	Feb. 18	189.50	Feb. 19	May 19	Do.
17294	William Hunnewell ..	do	376.14	do	do	Do.
Total			1,745.23			
EASTON, PA.						
18089	Albert E. Berkey.....	Feb. 24	24.93	Feb. 24	May 25	Do.
18089	Lorenzo T. Bell.....	do	52.75	do	do	Do.
18089	John C. Dittler.....	do	172.33	do	do	Do.
18089	Frank A. Gies	do	41.46	do	do	Do.
18089	George C. Haskey ..	do	28.44	do	do	Do.
18089	Jeremiah Hellich.....	do	304.64	do	do	Do.
18089	William P. Horn.....	do	172.33	do	do	Do.
18089	John H. Horning.....	do	238.34	do	do	Do.
18089	Charles H. Kut Tyler ..	do	51.99	do	do	Do.
18089	James E. Miles	do	94.25	do	do	Do.
18089	John Mooney, jr.....	do	6.19	do	do	Do.
18089	Lewis Pittenger.....	do	55.31	do	do	Do.
18089	Edward F. Reilly	do	152.92	do	do	Do.
18089	James K. Rogers	do	48.06	do	do	Do.
18089	Albert Rute	do	56.94	do	do	Do.
18089	Solomon Straus.....	do	212.88	do	do	Do.
Total			1,713.76			
FORT SMITH, ARK.						
18369	David Botto	Jan. 14	327.49	Jan. 26	Apr. 14	Do.
18369	Neal J. Collier.....	do	255.35	do	do	Do.
18369	William E. Joshenberger.	do	186.94	do	do	Do.
18369	William D. Lunsford ..	do	249.31	do	do	Do.
18369	Edgar E. McDaniel.....	do	116.32	do	do	Do.
18369	William H. Prettyman ..	do	264.70	do	do	Do.
18369	Flavius J. Rowell	do	235.82	do	do	Do.
18369	David H. Shelby.....	do	72.49	do	do	Do.
18369	Frank F. Stebler.....	do	13.40	do	do	Do.
18369	Duncan M. Warner.....	do	26.81	do	do	Do.
Total			1,748.63			
FORT SCOTT, KANS.						
19345	Jackson J. Abbott.....	Feb. 8	93.87	Feb. 18	May 9	Do.
19345	Cyrus F. Chapin.....	do	64.27	do	do	Do.
19345	James C. Cuthbertson.....	do	252.07	do	do	Do.
19345	John O. Drake.....	do	175.62	do	do	Do.
19345	Sherman Frary.....	do	168.34	do	do	Do.
19345	Edward H. Knapp.....	do	114.90	do	do	Do.
19345	Carl A. Martin.....	do	51.93	do	do	Do.
19345	Oscar M. Morse.....	do	64.55	do	do	Do.
19345	Eli Thomas.....	do	78.86	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
FORT SCOTT, KANS— Continued.						
19345	Daniel Todd.....	1897. Feb. 8	\$175.62	1897. Feb. 18	1897. May 9	Extra pay as letter carrier, under act May 24, 1888. Do. Do.
19345	Frank S. Towner	do	175.62	do	do	
19345	Tamerlane Harris	do	43.73	do	do	
Total			1,459.38			
FORT WORTH, TEX.						
17946	Sidney Graham.....	Feb. 17	151.14	Feb. 18	May 18	Do.
17946	Edward S. Hall.....	do	21.62	do	do	Do.
17946	James D. Johnson.....	do	149.84	do	do	Do.
17946	Andrew McCampbell.....	do	44.16	do	do	Do.
17946	Ebin R. Smith.....	do	79.25	do	do	Do.
17946	James A. Stuart	do	125.06	do	do	Do.
19063	S. L. Mayers	do	86.17	Feb. 19	do	Do.
18494	Brice M. Moore.....	do	124.42	do	do	Do.
18510	Calvin C. McMichael.....	do	71.85	do	do	Do.
Total			853.31			
GAINESVILLE, TEX.						
19516	Jesse T. Atchison	Jan. 21	219.03	Jan. 25	Apr. 21	Do.
19516	James A. Cunningham	do	291.79	do	do	Do.
19516	William H. Matherly	do	175.13	do	do	Do.
Total			685.95			
GRAND ISLAND, NEB.						
18696	Benjamin F. Gardner	Feb. 17	76.23	Feb. 19	May 18	Do.
18696	Levi H. Matchett.....	do	71.56	do	do	Do.
Total			147.79			
GALVESTON, TEXAS.						
16994	George H. Ashe	Feb. 20	299.86	Feb. 23	May 21	Do.
16994	Andrew J. Blackie	do	240.68	do	do	Do.
16994	William Bowers	do	429.94	do	do	Do.
16994	Thomas J. Connelly	do	477.84	do	do	Do.
16994	Benjamin H. Elbert.....	do	552.91	do	do	Do.
16994	William A. Jefferson	do	255.28	do	do	Do.
16994	Henry H. Germaine	do	250.02	do	do	Do.
16994	Edward Gruis	do	620.96	do	do	Do.
16994	Leonard Hardie.....	do	591.71	do	do	Do.
16994	John Peine	do	23.37	do	do	Do.
16994	William J. Schirmer.....	do	620.96	do	do	Do.
18477	William P. Carroll.....	do	193.95	do	do	Do.
Total			4,557.48			
GREENSBURG, PA.						
19124	William F. Bolinger..	Feb. 24	91.08	Feb. 24	May 25	Do.
19124	Robert J. Feightner	do	145.27	do	do	Do.
19124	George L. McIntyre.....	do	181.67	do	do	Do.
19124	James M. Reed.....	do	91.08	do	do	Do.
19124	John T. Painter	do	109.18	do	do	Do.
Total			618.28			
HARRISBURG, PA.						
18008	James B. Zimmerman.....	Feb. 8	198.67	Feb. 11	May 9	Do.
HOT SPRINGS, ARK.						
16968	Jefferson D. Overton.....	Feb. 8	225.31	Feb. 11	May 9	Do.
16968	J. Henry Flowers	Feb. 20	145.30	Feb. 23	May 21	Do.
16968	Thomas H. Upton	do	343.67	do	do	Do.
Total			714.28			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
HASTINGS, NEBR.						
19718	James D. Campbell ...	1897. Feb. 17	\$35.05	1897. Feb. 18	1897. May 18	Extra pay as letter carrier, under act May 24, 1888.
19718	Lee Haldeman	...do....	371.30	...do....	...do....	Do.
19718	Isaac A. Hall	...do....	74.89	...do....	...do....	Do.
19718	Jacob R. Hursh	...do....	48.94	...do....	...do....	Do.
	Total		530.18			
HUTCHISON, KANS.						
17718	Othello C. Furman	Feb. 17	183.58	Feb. 18	May 18	Do.
17718	Charley W. Oswald	...do....	194.09	...do....	...do....	Do.
17718	Grant W. Prather	...do....	24.54	...do....	...do....	Do.
	Total		402.21			
HAGERSTOWN, MD.						
18043	Otho M. Beeler	Feb. 18	191.37	Feb. 19	May 19	Do.
18043	George H. Duffey	...do....	180.55	...do....	...do....	Do.
18043	Martin H. Gruber	...do....	86.85	...do....	...do....	Do.
18043	Lloyd K. Hoffman	...do....	122.53	...do....	...do....	Do.
	Total		581.30			
HOUSTON, TEX.						
17646	Henry T. Brock	Feb. 18	3.92	Feb. 19	May 19	Do.
17646	John G. A. Frank	...do....	232.65	...do....	...do....	Do.
17646	George Fromm	...do....	147.79	...do....	...do....	Do.
17646	Isaac A. Kier	...do....	153.05	...do....	...do....	Do.
17646	James W. Misher	...do....	4.54	...do....	...do....	Do.
17646	Thomas Moore	...do....	248.57	...do....	...do....	Do.
17646	Jack B. Noble	...do....	33.88	...do....	...do....	Do.
17646	Joseph J. Ollre	...do....	32.42	...do....	...do....	Do.
17646	Alexander Pfeiffer	...do....	38.56	...do....	...do....	Do.
17646	Horace L. Scott	...do....	51.06	...do....	...do....	Do.
17646	Fred W. Slayton	...do....	39.20	...do....	...do....	Do.
17646	James Snowball	...do....	172.52	...do....	...do....	Do.
17646	John B. West	...do....	102.77	...do....	...do....	Do.
18835	William R. Lubbock	...do....	9.49	...do....	...do....	Do.
	Total		1,270.42			
HUDSON, N. Y.						
17912	John P. Berridge	Feb. 24	365.40	Feb. 24	May 25	Do.
17912	John F. Connor	...do....	86.67	...do....	...do....	Do.
17912	Patrick C. Connor	...do....	259.08	...do....	...do....	Do.
17912	Dennis J. Cuddy	...do....	167.36	...do....	...do....	Do.
17912	William W. Hazleton	...do....	172.29	...do....	...do....	Do.
17912	John C. Mullins	...do....	167.36	...do....	...do....	Do.
17912	Reuben Reynolds	...do....	104.85	...do....	...do....	Do.
17912	Clifford L. Smith	...do....	217.58	...do....	...do....	Do.
	Total		1,540.59			
JANESVILLE, WIS.						
19274	John F. O'Grady	Feb. 17	20.45	Feb. 18	May 18	Do.
19274	Edward V. Whiton	...do....	22.78	...do....	...do....	Do.
19274	Clair D. Capelle	...do....	251.48	...do....	...do....	Do.
19274	John Gleason	...do....	238.47	...do....	...do....	Do.
	Total		533.18			
JOHNSTOWN, PA.						
18834	William J. Berkey	Feb. 24	59.06	Feb. 24	May 25	Do.
18834	Richard Berriman	...do....	100.02	...do....	...do....	Do.
18834	Robert H. Bridges	...do....	255.27	...do....	...do....	Do.
18834	Herman Edelmann	...do....	255.27	...do....	...do....	Do.
18834	John H. Herzog	...do....	140.78	...do....	...do....	Do.
18834	Joseph S. Hipp	...do....	232.46	...do....	...do....	Do.
18834	David J. Jones	...do....	79.65	...do....	...do....	Do.
18834	Thomas D. O'Neal	...do....	255.27	...do....	...do....	Do.
18834	Patrick O'Toole	...do....	46.44	...do....	...do....	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for pay-ment.	When payable, if not appealed.	Nature of claim.
JOHNSTOWN, PA.—con.						
18834	Levi J. Ripple.....	1897. Feb. 24	\$174. 95	1897. Feb. 24	1897. May. 25	Extra pay as letter carrier, under act May 24, 1888. Do.
18834	Lewis A. Smith.....	...do ...	101. 87	...do ...	...do ...	
	Total		1, 701. 04			
JOLIET, ILL.						
18538	Thomas J. Byron.....	1896. Oct. 22	627. 98	Feb. 25	Jan. 20	Do.
18538	Michael F. McCarthy.....	...do ...	488. 66	...do ...	...do ...	Do.
18538	John A. McSherry.....	...do ...	403. 38	...do ...	...do ...	Do.
18538	Michael R. Smith.....	...do ...	540. 93	...do ...	...do ...	Do.
	Total		2, 060. 95			
KEARNEY, NEBR.						
19719	William Crawford....	1897. Jan. 21	46. 26	Jan. 25	Apr. 21	Do.
19719	Amos L. Graham.....	...do ...	85. 36	...do ...	...do ...	Do.
	Total		131. 62			
LITTLE ROCK, ARK.						
18026	Frank Abrams.....	...do ...	178. 28	Jan. 25	Apr. 21	Do.
18026	Isaac Bennett.....	...do ...	200. 07	...do ...	...do ...	Do.
18026	Paul J. Catharena....	...do ...	151. 50	...do ...	...do ...	Do.
18026	Henry H. Garner.....	...do ...	149. 02	...do ...	...do ...	Do.
18026	Howard H. Gilkey.....	...do ...	175. 57	...do ...	...do ...	Do.
18026	Moses E. Jeffries.....	...do ...	231. 26	...do ...	...do ...	Do.
18026	Wilson J. Johnson.....	...do ...	87. 30	...do ...	...do ...	Do.
18026	Scipio A. Jordan.....	...do ...	198. 03	...do ...	...do ...	Do.
18026	John Kergesner.....	...do ...	197. 84	...do ...	...do ...	Do.
18026	Bryce E. Patten.....	...do ...	69. 66	...do ...	...do ...	Do.
18026	Charles E. Smith.....	...do ...	169. 59	...do ...	...do ...	Do.
18026	William H. Stevenson ..	...do ...	85. 58	...do ...	...do ...	Do.
18026	John B. Taggart.....	...do ...	100. 31	...do ...	...do ...	Do.
18026	Jesse W. McPherren ..	...do ...	485. 73	...do ...	...do ...	Do.
	Total		2, 479. 74			
LANSING, MICH.						
17984	Seymour M. Choate...	Feb. 8	26. 40	Feb. 11	May 9	Do.
LOS ANGELES, CAL.						
18396	William E. Abraham ..	Feb 18	10. 11	Feb. 19	May 19	Do.
18396	Henry Angell.....	...do ...	240. 97	...do ...	...do ...	Do.
18396	Harold M. Arnold.....	...do ...	147. 83	...do ...	...do ...	Do.
18396	John Bangerter.....	...do ...	236. 77	...do ...	...do ...	Do.
18396	Thomas M. Barrow.....	...do ...	158. 97	...do ...	...do ...	Do.
18396	Daniel H. Bolce.....	...do ...	222. 06	...do ...	...do ...	Do.
18396	Frederick R. Brant.....	...do ...	183. 72	...do ...	...do ...	Do.
18396	Charles C. Brower.....	...do ...	246. 70	...do ...	...do ...	Do.
18396	William R. Carter.....	...do ...	233. 95	...do ...	...do ...	Do.
18396	Frank W. Curtiss.....	...do ...	10. 11	...do ...	...do ...	Do.
18396	Joseph Farrell.....	...do ...	233. 95	...do ...	...do ...	Do.
18396	Frithjof E. Fredericks ..	...do ...	131. 67	...do ...	...do ...	Do.
18396	Sol Froman.....	...do ...	234. 24	...do ...	...do ...	Do.
18396	Rolla O. Gill.....	...do ...	162. 10	...do ...	...do ...	Do.
18396	Charles T. Hall.....	...do ...	147. 42	...do ...	...do ...	Do.
18396	Charles E. Hutchinson ..	...do ...	226. 01	...do ...	...do ...	Do.
18396	Peter Marion.....	...do ...	158. 63	...do ...	...do ...	Do.
18396	Delos Millsap.....	...do ...	234. 62	...do ...	...do ...	Do.
18396	David O'Laverty.....	...do ...	89. 91	...do ...	...do ...	Do.
18396	Ellsworth F. Richards ..	...do ...	194. 47	...do ...	...do ...	Do.
18396	Charles A. Robb.....	...do ...	240. 96	...do ...	...do ...	Do.
18396	Winfred J. Sanborn ..	...do ...	225. 99	...do ...	...do ...	Do.
18396	William A. Shields.....	...do ...	155. 10	...do ...	...do ...	Do.
18396	William H. Stuart.....	...do ...	183. 72	...do ...	...do ...	Do.
18396	Frank L. Thatcher.....	...do ...	10. 11	...do ...	...do ...	Do.
18396	Edward Tynan.....	...do ...	162. 10	...do ...	...do ...	Do.
18396	Edmund L. Vornz.....	...do ...	55. 29	...do ...	...do ...	Do.
18396	John W. Whiteley, jr. ..	...do ...	183. 72	...do ...	...do ...	Do.
18396	John Woods.....	...do ...	162. 11	...do ...	...do ...	Do.
	Total		4, 883. 31			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
MANKATO, MINN.						
20336	Robert Thomas.....	1897. Jan. 21	\$145.14	1897. Jan. 25	1897. Apr. 21	Extra pay as letter carrier, under act May 24, 1888. Do.
20336	Ernest W. Koetting ..	...do	85.91	...do	...do	
	Total		231.05			
MILFORD, MASS.						
18815	James C. McKenna...	Feb. 8	72.97	Feb. 11	May 9	Do.
19344	Gilbert Bent.....	...do	29.10	...do	...do	Do.
19344	William H. Hartwell ..	...do	58.47	...do	...do	Do.
19344	Thomas O. Nelson	...do	29.10	...do	...do	Do.
	Total		189.64			
MADISON, WIS.						
19269	Joseph M. Copp	Feb. 18	112.92	Feb. 19	May 19	Do.
19269	Thomas F. Cullinan ..	...do	122.09	...do	...do	Do.
19269	William H. Casey	...do	136.42	...do	...do	Do.
19269	Charles E. Dagget.....	...do	29.90	...do	...do	Do.
19269	William A. Devine	...do	486.61	...do	...do	Do.
19269	William G. Dunn	...do	389.63	...do	...do	Do.
19269	Arthur J. Gallagher ..	...do	145.45	...do	...do	Do.
19269	Clark L. Gill	...do	199.78	...do	...do	Do.
19269	Charles H. Hudson	...do	175.83	...do	...do	Do.
19269	Charles H. Hopkins.....	...do	178.10	...do	...do	Do.
19269	Nicholas Reif	...do	113.61	...do	...do	Do.
19269	Henry Schmedeman	...do	83.83	...do	...do	Do.
19269	George A. Steinle.....	...do	113.60	...do	...do	Do.
	Total		2,287.77			
MORRISTOWN, N. J.						
17978	Robert J. Price	Feb. 17	164.29	Feb. 18	May 18	Do.
MILWAUKEE, WIS.						
19408	John Glaettli	Feb. 18	128.05	Feb. 19	May 19	Do.
19408	Frank X. Mayer	...do	128.05	...do	...do	Do.
17963	H. V. Woodworth.....	...do	114.16	...do	...do	Do.
17979	E. H. Bramhall.....	...do	315.96	...do	...do	Do.
17979	John B. Hasley, jr.....	...do	509.50	...do	...do	Do.
17979	Robert L. Harp	...do	335.78	...do	...do	Do.
17979	Peter S. Juneau	...do	394.25	...do	...do	Do.
17979	Henry Kessenich	...do	128.05	...do	...do	Do.
17979	Gustav A. Kuder	...do	128.05	...do	...do	Do.
17979	James Larkin	...do	128.05	...do	...do	Do.
17979	Thomas J. Murray	...do	359.20	...do	...do	Do.
17979	John R. Nuzum	...do	26.81	...do	...do	Do.
17979	Henry F. Pesta	...do	380.06	...do	...do	Do.
17979	George F. Smith.....	...do	45.58	...do	...do	Do.
17979	Simon B. Smith	...do	37.12	...do	...do	Do.
	Total		3,158.67			
MIDDLETOWN, N. Y.						
18128	John D. Adams	Feb. 20	651.91	Feb. 23	May 21	Do.
18128	William S. Brundage ..	...do	18.15	...do	...do	Do.
18128	Sarah J. Carmichael, administratrix of William T. Car- michael.	...do	207.30	...do	...do	Do.
18128	John W. Conkling.....	...do	651.91	...do	...do	Do.
18128	David H. Keeler, jr....	...do	507.00	...do	...do	Do.
18128	Joseph Kniffin.....	...do	139.90	...do	...do	Do.
18128	John M. Northrop.....	...do	469.26	...do	...do	Do.
18128	David C. Preston	...do	5.78	...do	...do	Do.
18128	Edgar Wood.....	...do	320.59	...do	...do	Do.
18128	Ananias B. Wheeler..	...do	651.91	...do	...do	Do.
	Total.....		3,623.71			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
	MOUNT VERNON, N. Y.					
18393	E. Eugene Guion.....	1897. Feb. 20	\$137.10	1897. Feb. 23	1897. May 21	Extra pay as letter carrier, under act May 24, 1888.
18393	Oscar C. Gunther.....	do	428.55	do	do	Do.
18393	Edward C. Howland..	do	409.59	do	do	Do.
18393	John McClellan	do	428.55	do	do	Do.
18393	George B. Provoost...	do	428.55	do	do	Do.
18393	Herbert S. Trenchard..	do	385.32	do	do	Do.
18393	Theodore G. Volmer ..	do	45.79	do	do	Do.
	Total		2,263.45			
	NEW ORLEANS, LA.					
17542	John Capdeville	Feb. 8	17.94	Feb. 11	May 9	Do.
17542	Joseph B. Donlon.....	do	480.00	do	do	Do.
17542	Henry S. Dowler.....	do	514.66	do	do	Do.
17542	Charles W. Dowling ..	do	40.83	do	do	Do.
17542	Thomas J. Gibbings ..	do	55.80	do	do	Do.
17542	John T. Hart	do	76.30	do	do	Do.
17542	Jacob J. Hinkel.....	do	17.74	do	do	Do.
17542	Harry Howcott	do	17.94	do	do	Do.
17542	Lawrence H. Johnson..	do	317.40	do	do	Do.
17542	George W. Kellar.....	do	205.46	do	do	Do.
17542	James W. Morrissey..	do	535.94	do	do	Do.
17542	William E. Oertling..	do	45.99	do	do	Do.
17542	Daniel J. O'Neil	do	77.84	do	do	Do.
17542	Joseph A. Richard ..	do	28.25	do	do	Do.
17542	Chas. W. Vanderdoes ..	do	461.11	do	do	Do.
17542	Julius A. Hennig.....	do	50.74	do	do	Do.
	Total		2,943.94			
	NEW YORK, N. Y.					
	<i>Station D.</i>					
17039	Margaretha Pinney, executrix of Court- land D. Pinney.	Feb. 8	142.82	Feb. 11	May 9	Do.
	NEW YORK, N. Y.					
	<i>Station G.</i>					
17039 M ¹⁴	John F. King	Feb. 15	70.71	Feb. 23	May 16	Do.
	NEW YORK, N. Y.					
	<i>Station R.</i>					
17039	Lewis C. Appleyard..	Feb. 18	35.87	Feb. 19	May 19	Do.
17039	John V. Campbell.....	do	111.93	do	do	Do.
17039	William J. Cody.....	do	39.78	do	do	Do.
17039	Christopher D. Cun- ningham.	do	176.48	do	do	Do.
17039	John J. Crimmins	do	88.24	do	do	Do.
17039	Charles H. Eaton.....	do	220.42	do	do	Do.
17039	Alois Frank	do	115.70	do	do	Do.
17039	Thomas J. Gibney.....	do	206.69	do	do	Do.
17039	Samuel Gibson	do	112.32	do	do	Do.
17039	Charles W. Hanlon.....	do	127.72	do	do	Do.
17039	Oscar M. Hauck	do	102.90	do	do	Do.
17039	William L. Hendy.....	do	75.53	do	do	Do.
17039	John W. Hicks.....	do	95.79	do	do	Do.
17039	Clarence E. Horn.....	do	51.50	do	do	Do.
17039	John Kelly, No. 1.....	do	64.89	do	do	Do.
17039	Thomas Kelly.....	do	68.67	do	do	Do.
17039	Timothy Kelly	do	49.44	do	do	Do.
17039	Peter A. Killian.....	do	89.96	do	do	Do.
17039	Oliver Lee.....	do	54.24	do	do	Do.
17039	Thomas Lester	do	196.14	do	do	Do.
17039	Thomas R. Lowerre....	do	149.01	do	do	Do.
17039	Charles H. E. Lubkert ..	do	21.13	do	do	Do.
17039	Martin McInerny	do	58.36	do	do	Do.
17039	James J. McNeil.....	do	47.82	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
NEW YORK, N. Y.—cont'd.						
<i>Station R—Continued.</i>						
17039	John M. Peffers.....	1897. Feb. 18	\$78.28	1897. Feb. 19	1897. May 19	Extra pay as letter carrier under act May 24, 1888.
17039	Joseph M. Reid.....	...do....	2.40	...do....	...do....	Do.
17039	Frank W. Robbins.....	...do....	41.20	...do....	...do....	Do.
17039	John Rooney.....	...do....	28.50	...do....	...do....	Do.
17039	George W. Roper.....	...do....	43.26	...do....	...do....	Do.
17039	Charles F. Russell.....	...do....	125.66	...do....	...do....	Do.
17039	Thomas A. Shedd.....	...do....	78.28	...do....	...do....	Do.
17039	James H. Thies.....	...do....	54.03	...do....	...do....	Do.
17039	Benjamin S. Vanderporten.	...do....	7.90	...do....	...do....	Do.
17039	James White.....	...do....	122.91	...do....	...do....	Do.
19308	Thomas E. Kerr.....	...do....	130.12	...do....	...do....	Do.
Total Station R.....			3,073.97			
Total New York, N. Y.....			3,287.50			
NASHVILLE, TENN.						
18818	Philip F. Shields.....	Feb. 17	70.29	Feb. 19	May 18	Do.
NIAGARA FALLS, N. Y.						
18190	Charles H. Kugel.....	Feb. 17	189.13	Feb. 18	May 18	Do.
18190	John P. Shomers.....	...do....	312.82	...do....	...do....	Do.
18674	Frederick Diemer.....	...do....	329.83	Feb. 19	...do....	Do.
Total.....			831.78			
NEW BEDFORD, MASS.						
17698	Charles Hall Adams, administrator of William J. Downey.	Feb. 20	392.52	Feb. 23	May 21	Do.
NEWBURG, N. Y.						
19737	Henry Van Ben-schoten.	Feb. 20	873.90	Feb. 23	May 21	Do.
19737	Thomas J. Hayes.....	...do....	219.65	...do....	...do....	Do.
19737	Chester F. Thayer.....	...do....	109.82	...do....	...do....	Do.
19737	James A. Cantlin.....	...do....	118.00	...do....	...do....	Do.
19737	Robert McNair.....	...do....	219.65	...do....	...do....	Do.
18401	Michael F. Brennan.....	...do....	112.45	...do....	...do....	Do.
18401	Timothy Donoghue, jr.....	...do....	169.22	...do....	...do....	Do.
18401	John P. Fitzpatrick.....	...do....	122.78	...do....	...do....	Do.
18401	John F. O'Neill.....	...do....	205.65	...do....	...do....	Do.
Total.....			2,151.12			
NEWTON, KANS.						
19664	George E. Jackson.....	Feb. 20	63.47	Feb. 23	May 21	Do.
19664	Morris L. Sawyer.....	...do....	118.72	...do....	...do....	Do.
19664	Grant Shepherd.....	...do....	112.32	...do....	...do....	Do.
19664	John D. Smith.....	...do....	56.69	...do....	...do....	Do.
18471	John H. Fugate.....	...do....	278.35	...do....	...do....	Do.
18471	Frank F. Kelly.....	...do....	235.10	...do....	...do....	Do.
18471	Daniel W. Parham.....	...do....	285.65	...do....	...do....	Do.
18471	John F. Sebrell.....	...do....	235.10	...do....	...do....	Do.
Total.....			1,385.40			
NORTH ADAMS, MASS.						
18501	James H. Benjamin....	Feb. 25	66.76	Feb. 25	May 26	Do.
18501	Lucius C. Rand.....	...do....	95.21	...do....	...do....	Do.
18474	Saul Palmer.....	...do....	82.50	...do....	...do....	Do.
18474	Michael F. McCarty....	...do....	63.24	...do....	...do....	Do.
Total.....			307.71			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
OGDEN, UTAH.						
19672	Silas E. Corey	1897. Jan. 28	\$51.92	1897. Feb. 8	1897. Apr. 28	Extra pay as letter carrier, under act May 24, 1888.
19672	John W. Harvey	do	56.77	do	do	Do.
19672	Edgar Hoffner	do	118.92	do	do	Do.
19672	John W. Lindstrom	do	157.03	do	do	Do.
19672	Anna Palmer, administratrix of Harry L. D. Palmer.	do	118.93	do	do	Do.
19672	Ralph A. Pidcock	do	142.69	do	do	Do.
19672	Edgar D. Stone	do	157.03	do	do	Do.
19672	Richard Taylor	do	157.03	do	do	Do.
Total			960.32			
OTTAWA, ILL.						
19552	Charles B. Vosburgh	Feb. 17	224.17	Feb. 19	May 18	Do.
18568	Emmor B. Raley	do	121.79	do	do	Do.
18505	Francis A. Frost	do	290.38	do	do	Do.
18505	Fred Harberle	do	210.79	do	do	Do.
18505	Andrew W. Rhoads	do	239.40	do	do	Do.
18482 18505	James J. Dougherty	do	125.16	do	do	Do.
18482 18505	George A. Campbell	do	486.27	do	do	Do.
Total			1,697.96			
OAKLAND, CAL.						
18425	John Z. Barnett	Feb. 20	51.13	Feb. 23	May 21	Do.
18425	Frank Belden	do	344.95	do	do	Do.
18425	Frank E. Burger	do	88.52	do	do	Do.
18425	Ashley D. Cameron	do	194.78	do	do	Do.
18425	Isaac Cohen	do	28.46	do	do	Do.
18425	George F. Collyer	do	307.56	do	do	Do.
18425	Edward G. Donovan	do	403.95	do	do	Do.
18425	Solon D. Arnold	do	1.44	do	do	Do.
18425	William W. Sherbourne.	do	41.71	do	do	Do.
18425	William H. Smith	do	23.92	do	do	Do.
18425	John F. Douzelmann	do	91.07	do	do	Do.
18425	William W. Finch	do	148.24	do	do	Do.
18425	Daniel J. Hallaban	do	346.82	do	do	Do.
18425	William J. Hanley	do	455.96	do	do	Do.
18425	David J. Healy	do	101.87	do	do	Do.
18425	Chas. E. Hendrickson	do	389.87	do	do	Do.
18425	Wm. D. Hendrickson	do	256.37	do	do	Do.
18425	David P. Hooe	do	316.04	do	do	Do.
18425	Charles L. Kelton	do	320.32	do	do	Do.
18425	Joseph F. Kenney	do	344.95	do	do	Do.
18425	Charles D. Littler	do	221.57	do	do	Do.
18425	Isaac E. Littrell	do	337.83	do	do	Do.
18425	John T. Morrison	do	234.19	do	do	Do.
18425	Walter J. Petersen	do	27.01	do	do	Do.
18425	William L. Ranlett	do	344.95	do	do	Do.
18425	George F. Sampson	do	140.94	do	do	Do.
18425	Joseph D. Scott	do	320.32	do	do	Do.
18425	Baxter L. Sedgley	do	177.00	do	do	Do.
18425	John F. Sherry	do	224.80	do	do	Do.
18425	George E. Sterling	do	275.32	do	do	Do.
18425	Charles E. Story	do	150.40	do	do	Do.
18726	Horatio F. Jenkins	do	99.60	do	do	Do.
18726	John G. McElvaney	do	81.96	do	do	Do.
18726	Oliver F. Perigo	do	153.73	do	do	Do.
Total			7,047.55			
OSHKOSH, WIS.						
19259	James F. Buchanan	Feb. 20	370.32	Feb. 23	May 21	Do.
19259	Frank R. Day	do	167.99	do	do	Do.
19259	William I. Enos	do	131.20	do	do	Do.
19259	John Fife, jr.	do	69.52	do	do	Do.
19259	Edwin E. Finney	do	395.77	do	do	Do.
19259	August Giese	do	395.77	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
OSHKOSH, WIS.—cont'd.						
19259	Eugene H. Glass.....	1897. Feb. 20	\$256.79	1897. Feb. 23	1897. May 21	Extra pay as letter carrier, under act May 24, 1888.
19259	Charles A. Hasbrouck.....	do	395.77	do	do	Do.
19259	Robert Redford.....	do	395.77	do	do	Do.
19259	August Schloerb.....	do	395.77	do	do	Do.
19259	William H. Wall.....	do	395.76	do	do	Do.
20690	William Barta.....	do	147.79	do	do	Do.
Total			3,525.22			
PASADENA, CAL.						
19314	Edward C. Watson....	Jan. 21	65.80	Jan. 25	Apr. 21	Do.
20518	Leon T. McConnell....	do	9.08	Feb. 10	do	Do.
18985	Charles R. Dillman....	do	201.06	Jan. 26	do	Do.
18985	Frank Mendenhall....	do	185.97	do	do	Do.
18985	Alexander L. Petriez....	do	200.53	do	do	Do.
18985	Ambrose L. Manahan....	do	40.92	do	do	Do.
18985	Loyal T. Lincoln.....	do	318.02	do	do	Do.
18985	Alexander C. Drake....	do	112.54	do	do	Do.
Total			1,133.92			
PINE BLUFF, ARK.						
19538	Arthur B. Knight.....	Feb. 8	143.16	Feb. 11	May 9	Do.
19538	Taylor J. Patillo.....	do	143.16	do	do	Do.
19538	Horace A. Williams....	do	143.16	do	do	Do.
Total			429.48			
PEKIN, ILL.						
18837	Charles W. Edds.....	Feb. 17	27.46	Feb. 18	May 18	Do.
18837	Frank I. Erb.....	do	144.51	do	do	Do.
18837	Christian F. Dittmer....	do	661.75	do	do	Do.
18837	Charles F. Holland....	do	90.25	do	do	Do.
18837	Louis Luick.....	do	28.62	do	do	Do.
18837	Henry W. Smith.....	do	105.05	do	do	Do.
Total			1,057.64			
PARIS, TEX.						
19518	Charles C. Beck.....	Feb. 18	42.94	Feb. 19	May 19	Do.
19518	John D. Elliott.....	do	42.94	do	do	Do.
19518	William G. Grimes....	do	36.38	do	do	Do.
Total			122.26			
PEORIA, ILL.						
16991	Charles H. Adair.....	Feb. 17	183.13	Feb. 18	May 18	Do.
16991	Jasper J. Brown.....	do	520.38	do	do	Do.
16991	William Dalton.....	do	60.43	do	do	Do.
16991	Fred E. Greiner.....	do	401.25	do	do	Do.
16991	August Guillman.....	do	460.90	do	do	Do.
16991	Charles E. Harrington..	do	364.36	do	do	Do.
16991	Peter Hirsch.....	do	109.64	do	do	Do.
16991	Michael E. Jackson....	do	107.19	do	do	Do.
16991	Horace F. Johnson....	do	200.83	do	do	Do.
16991	John Kavanaugh.....	do	46.15	do	do	Do.
16991	George T. Kennedy....	do	87.38	do	do	Do.
16991	William Millard.....	do	110.69	do	do	Do.
16991	Robert T. Mercer.....	do	133.24	do	do	Do.
16991	Frank C. Morris.....	do	263.80	do	do	Do.
16991	Christopher Rohman....	do	58.37	do	do	Do.
16991	Lee H. Rose.....	do	211.72	do	do	Do.
16991	John Rudel, jr.....	do	396.28	do	do	Do.
16991	John W. Semitt.....	do	35.92	do	do	Do.
16991	Charles J. Speck.....	do	467.91	do	do	Do.
16991	Louis E. Stillwell....	do	399.17	do	do	Do.
16991	John A. Sutter.....	do	35.92	do	do	Do.
16991	Frank S. Vaughan.....	do	108.75	do	do	Do.
16991	Frederick A. Walker....	do	137.57	do	do	Do.
16991	William L. Wasson....	do	149.11	do	do	Do.
16991	David M. Wickline....	do	498.74	do	do	Do.

Judgments of the Court of Claims.—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
PEORIA, ILL.—cont'd.						
16991	William H. Zoller....	1897. Feb. 17	\$32.13	1897. Feb. 18	1897. May 18	Extra pay as letter carrier, under act May 24, 1888.
17950	Thomas P. Hayden....	do	112.45	do	do	Do.
17950	Wallace S. Jay.....	do	110.40	do	do	Do.
17950	Ira J. Leibenstein....	do	37.12	do	do	Do.
	Total		5,840.93			
PUEBLO, COLO.						
18062	James T. Bruce.....	Feb. 17	345.58	Feb. 18	May 18	Do.
18062	Lemuel A. Callaway..	do	369.25	do	do	Do.
18062	Merrie S. Carter.....	do	284.53	do	do	Do.
18062	Worsnop Clough.....	do	348.83	do	do	Do.
18062	Theodore C. Cramer..	do	38.17	do	do	Do.
18062	Delos V. Smith.....	do	82.12	do	do	Do.
18062	Newton C. Smith.....	do	41.82	do	do	Do.
18062	Frank E. Schnur.....	do	129.21	do	do	Do.
18062	Bernard Schwacken- berg.	do	369.25	do	do	Do.
18062	William S. Sperry.....	do	21.65	do	do	Do.
18062	Adam Walk.....	do	140.00	do	do	Do.
18062	Gomer Williams.....	do	369.25	do	do	Do.
19190	William M. Brown.....	do	9.28	do	do	Do.
	Total		2,548.94			
POUGHKEEPSIE, N. Y.						
19287	William J. Wolff, jr..	Feb. 20	212.14	Feb. 23	May 21	Do.
18403	Ulysses D. Caulkins..	do	94.92	do	do	Do.
18403	William H. Delahoyd..	do	83.76	do	do	Do.
18403	James E. Dorland.....	do	15.06	do	do	Do.
18403	Wilmot C. Graham....	do	73.25	do	do	Do.
18403	Nicholas Hoffman, jr.	do	157.35	do	do	Do.
18403	John J. Hyland.....	do	138.74	do	do	Do.
18403	Patrick H. Kearny....	do	88.80	do	do	Do.
18403	Denis L. Maher.....	do	131.17	do	do	Do.
18403	William P. Monroe....	do	92.60	do	do	Do.
18403	John J. Ruddy.....	do	119.46	do	do	Do.
18403	Edgar E. Sirrine.....	do	116.94	do	do	Do.
18403	John S. Wolven.....	do	144.29	do	do	Do.
18403	Edgar A. Wood.....	do	66.01	do	do	Do.
18403	William Wright.....	do	137.09	do	do	Do.
18403	Edward Henderson....	do	179.46	do	do	Do.
	Total		1,851.04			
PORT JERVIS, N. Y.						
18762	George Athisar.....	Feb. 20	469.09	Feb. 23	May 21	Do.
18762	Allen D. Brown.....	do	72.40	do	do	Do.
18762	Peter Flanagan.....	do	75.49	do	do	Do.
18762	William C. Marchant..	do	452.85	do	do	Do.
18762	Floyd L. Pelton.....	do	187.34	do	do	Do.
18762	Charles H. Prussia....	do	470.33	do	do	Do.
18762	Joe Van Rosencrance..	do	226.58	do	do	Do.
18762	Charles B. Wheat.....	do	76.73	do	do	Do.
18762	James B. Winters.....	do	89.10	do	do	Do.
	Total		2,119.91			
PORTLAND, OREG.						
16986}	Philip F. Dwyer.....	Feb. 24	244.76	Feb. 24	May 25	Do.
18767}	Leon T. Welsh.....	do	298.21	Feb. 25	do	Do.
	Total		542.97			
PITTSFIELD, MASS.						
18158	Maurice E. Callahan..	Feb. 25	223.44	Feb. 25	May 26	Do.
18158	Vernah E. Couch.....	do	520.78	do	do	Do.
18158	Sanford L. Desmond..	do	64.08	do	do	Do.
18158	Robert E. Field.....	do	330.88	do	do	Do.
18158	Eugene Hotchkiss....	do	520.78	do	do	Do.
18158	William J. Joyce.....	do	223.45	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judg- ment.	Amount.	When presented for pay- ment.	When payable, if not appealed.	Nature of claim.
PITTSFIELD, MASS— continued.						
18158	Frederick H. Taylor..	1897. Feb. 25	\$318.95	1897. Feb. 25	1897. May 26	Extra pay as letter carrier, under act May 24, 1888. Do.
18158	Willis G. Van Bergan..	...do	69.79	...do	...do	
Total			2,272.15			
ROME, N. Y.						
17919	George O. Tibbitts....	Jan. 28	203.99	Feb. 8	Apr. 28	Do.
READING, PA.						
17905	D. Webster Clay	Feb. 20	32.71	Feb. 23	May 21	Do.
SAN ANTONIO, TEX.						
19404	William H. Bitter	Jan. 21	133.65	Jan. 25	Apr. 21	Do.
19404	Oscar D. Brooks	...do	98.37	...do	...do	Do.
19404	James Dashiell	...do	132.78	...do	...do	Do.
19404	Hermann J. Heitgen..	...do	10.99	...do	...do	Do.
19404	Frank Holt	...do	96.17	...do	...do	Do.
19404	William Holt, jr.....	...do	124.27	...do	...do	Do.
19404	Arthur D. James	...do	132.78	...do	...do	Do.
19404	Martin Jimenez	...do	34.66	...do	...do	Do.
19404	David Jones	...do	224.32	...do	...do	Do.
19404	Charles L. Mitchell...	...do	100.70	...do	...do	Do.
19404	William Henry Mitch- ell.	...do	224.32	...do	...do	Do.
19404	George H. Mudd	...do	224.32	...do	...do	Do.
19404	Cecil A. Nesbitt	...do	224.32	...do	...do	Do.
19404	Joseph F. Neunam.....	...do	100.70	...do	...do	Do.
19404	Julius Posert	...do	213.52	...do	...do	Do.
19404	Andrew J. Scheide- mantel.	...do	44.66	...do	...do	Do.
19404	Henry Schmidt	...do	132.78	...do	...do	Do.
19404	Van Teel	...do	113.04	...do	...do	Do.
Total			2,366.35			
SEATTLE, WASH.						
17995	John Paul Jones	Jan. 28	450.88	Feb. 8	Apr. 28	Do.
ST. LOUIS, MO.						
18027	Daniel W. Boxley	Jan. 21	355.01	Jan. 25	Apr. 21	Do.
18027	William H. Dale	...do	105.06	...do	...do	Do.
18027	John C. Lyons	...do	116.39	...do	...do	Do.
18027	Samuel C. Owens	...do	227.29	...do	...do	Do.
18027	George W. Swarting..	...do	482.52	...do	...do	Do.
18027	Charles H. Schmidt...	...do	19.23	...do	...do	Do.
18027	Gustav A. Betz	Feb. 24	170.99	Feb. 24	May 25	Do.
18027	J. Ben Nichols	...do	271.23	...do	...do	Do.
Total			1,747.72			
ST. ALBANS, VT.						
18675	George D. Soule	Feb. 8	149.14	Feb. 11	May 9	Do.
18675	Andrew Bradley Wheeler.	...do	289.16	...do	...do	Do.
18675	Albert C. Williams...	...do	47.44	...do	...do	Do.
Total			485.74			
SAN DIEGO, CAL.						
17980	Sherwin Coulthurst..	Jan. 21	265.90	Jan. 25	Apr. 21	Do.
17980	Park Godwin	...do	153.15	...do	...do	Do.
17980	Edbert K. Healy	...do	101.87	...do	...do	Do.
17980	George N. Lane	...do	217.05	...do	...do	Do.
17980	William F. Robinson..	...do	278.69	...do	...do	Do.
17980	Leroy Rumsey	...do	90.59	...do	...do	Do.
17980	Ernest W. Schmedes..	...do	289.27	...do	...do	Do.
17980	Irving L. Sullivan...	...do	254.80	...do	...do	Do.
19111	Joseph E. Coulthurst.	...do	260.53	...do	...do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judg- ment.	Amount.	When presented for pay- ment.	When payable, if not appealed.	Nature of claim.
	SAN DIEGO, CAL.—con- tinued.					
19111	John W. Foote.....	1897. Jan. 21	\$161.30	1897. Jan. 25	1897. Apr. 21	Extra pay as letter carrier, under act May 24, 1888. Do.
19111	Harry W. Colton	...do	50.64	...do	...do	
	Total		2,123.79			
	SAN BERNARDINO, CAL.					
19294	Lucina Lord, adminis- trix of George Lord, jr.	Jan. 28	38.19	Feb. 3	Apr. 28	Do.
	SHREVEPORT, LA.					
17679	Rives Browning.....	Jan. 28	194.43	Feb. 8	Apr. 28	Do.
17679	Thomas H. Jordan.....	...do	617.03	...do	...do	Do.
17679	Fletcher S. Legardy	...do	119.07	...do	...do	Do.
17679	Edgar V. Metcalf.....	...do	92.79	...do	...do	Do.
17679	Harry C. Metcalf.....	...do	161.65	...do	...do	Do.
17679	Theodore C. Owen.....	...do	282.38	...do	...do	Do.
17679	Harry L. Seckel.....	...do	54.92	...do	...do	Do.
17679	Beauregard E. Wagner	...do	99.75	...do	...do	Do.
17679	Ed. W. Walker.....	...do	64.77	...do	...do	Do.
	Total		1,686.79			
	SANTA ROSA, CAL.					
18808	Edward P. Butler	Feb. 8	195.51	Feb. 10	May 9	Do.
19307	George L. Farmer	...do	195.51	Feb. 11	...do	Do.
19307	Daniel Halbert	...do	195.51	...do	...do	Do.
19307	Henry Kirsch	...do	195.51	...do	...do	Do.
	Total		782.04			
	STOCKTON, CAL.					
18320	Philip H. Burgess	Jan. 21	358.12	Jan. 25	Apr. 21	Do.
18320	Aaron E. Eller	...do	256.18	...do	...do	Do.
18320	Abbie A. Elsom, ad- ministratrix of William N. Elsom.	...do	352.86	...do	...do	Do.
18320	John C. Newman	...do	189.56	...do	...do	Do.
18320	George G. Pool	...do	235.61	...do	...do	Do.
18320	William I. Whiting.....	...do	291.50	...do	...do	Do.
18320	Robert W. Woolsey.....	...do	147.33	...do	...do	Do.
	Total		1,831.16			
	SANTA CRUZ, CAL.					
19843	Frank D. Ennor.....	Feb. 17	339.57	Feb. 18	May 18	Do.
	SHERMAN, TEX.					
19519	Robert Boyd Jackson.	Jan. 21	110.93	Jan. 25	Apr. 21	Do.
	STREATOR, ILL.					
18688	Charles Mackey.....	...do	224.14	...do	...do	Do.
18688	John Riorden.....	...do	106.02	...do	...do	Do.
	Total		330.16			
	SALINA, KANS.					
18059	Frank S. Rising.....	Feb. 17..	336.79	Feb. 18..	May 18..	Do.
18059	Dennis G. Stack.....	...do	336.79	...do	...do	Do.
18059	John Thomsen.....	...do	303.67	...do	...do	Do.
18701	Hartman Berg.....	...do	336.79	Feb. 19..	...do	Do.
	Total.....		1,314.04			
	SHEBOYGAN, WIS.					
20479	George F. Dusold	Feb. 17	100.66	Feb. 18	May 18	Do.
20479	Fred Horstbrink.....	...do	102.81	...do	...do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
	SHEBOYGAN, WIS.— continued.					
20479	William Obigt.....	1897. Feb. 17	\$102. 81	1897. Feb. 18	1897. May 18	Extra pay as letter carrier, under act May 24, 1888.
20479	Henry B. Stein.....	...do	102. 81	...do	...do	Do.
	Total		409. 09			
	SING SING, N. Y.					
19360	Philip A. Fox.....	Feb. 20	5. 57	Feb. 23	May 21	Do.
19360	William S. Green.....	...do	110. 33	...do	...do	Do.
19360	John HOFFLEY.....	...do	135. 53	...do	...do	Do.
19360	John Vanderbilt.....	...do	151. 77	...do	...do	Do.
18402	Harry Mealing.....	...do	65. 00	...do	...do	Do.
18402	Graham B. Merritt, jr.....	...do	70. 96	...do	...do	Do.
18402	Charles Wagner, jr.....	...do	20. 42	...do	...do	Do.
18402	William E. Hopper.....	...do	339. 92	...do	...do	Do.
	Total		899. 92			
	SACRAMENTO, CAL.					
19424	George G. Brentner...	Feb. 20	78. 27	Feb. 23	May 21	Do.
19424	William B. Miller, ad- ministrator of Nori- don S. Bennett.	...do	72. 45	...do	...do	Do.
19424	Hiram E. Greer.....	...do	136. 69	...do	...do	Do.
19424	Brown Maulden, ad- ministrator of Lo- pez Maulden.	...do	225. 78	...do	...do	Do.
19424	Charles B. Wilson.....	...do	162. 69	...do	...do	Do.
19199	Chester H. Agner.....	...do	275. 72	...do	...do	Do.
19199	Michael Butler.....	...do	275. 72	...do	...do	Do.
19199	Lee A. Devin.....	...do	265. 26	...do	...do	Do.
19199	George B. Eldred.....	...do	275. 72	...do	...do	Do.
19199	Thomas Holden, ad- ministrator of Hen- ry B. Humphreys.	...do	272. 65	...do	...do	Do.
19199	De Lacey E. Kerr.....	...do	216. 20	...do	...do	Do.
19199	Frank Macke.....	...do	31. 96	...do	...do	Do.
19199	James W. Nixon.....	...do	82. 97	...do	...do	Do.
19199	Gardiner W. Rogers.....	...do	137. 39	...do	...do	Do.
19199	William H. Tade.....	...do	244. 64	...do	...do	Do.
19199	John W. Toomey.....	...do	239. 22	...do	...do	Do.
19199	Michael J. Troy.....	...do	42. 27	...do	...do	Do.
	Total		3, 035. 60			
	SAN JOSE, CAL.					
18335	Charles H. Amidon...	Feb. 20	111. 00	Feb. 23	May 21	Do.
18335	Reuben H. Austin.....	...do	61. 41	...do	...do	Do.
18335	Irwin A. Ball.....	...do	272. 80	...do	...do	Do.
18335	Judson C. Bridgman.....	...do	28. 03	...do	...do	Do.
18335	George C. Cockburn.....	...do	337. 45	...do	...do	Do.
18335	Gerhard De Wit.....	...do	351. 67	...do	...do	Do.
18335	Thomas W. Hambly.....	...do	317. 38	...do	...do	Do.
18335	Andrew W. Harvey.....	...do	69. 75	...do	...do	Do.
18335	Arthur G. McClelland.....	...do	77. 10	...do	...do	Do.
18335	Arthur C. McCollum.....	...do	124. 21	...do	...do	Do.
18335	Abram L. McKune.....	...do	248. 86	...do	...do	Do.
18335	Louis A. Pellier.....	...do	334. 43	...do	...do	Do.
18335	Ygnacio Schroder.....	...do	262. 87	...do	...do	Do.
18335	Herbert R. Tripp.....	...do	114. 49	...do	...do	Do.
18335	Herbert D. Weller.....	...do	93. 13	...do	...do	Do.
18335	Stephen L. Worden.....	...do	293. 61	...do	...do	Do.
18335	Charles T. Richmond.....	...do	49. 48	...do	...do	Do.
18549	Robert W. Smith.....	...do	100. 07	...do	...do	Do.
	Total		3, 247. 74			
	SPRINGFIELD, MO.					
17791	Ethan A. Bishop.....	Feb. 17	425. 03	Feb. 18	May 18	Do.
17791	Valerius W. Campbell.....	...do	488. 93	...do	...do	Do.
17791	Max L. Chaudet.....	...do	439. 55	...do	...do	Do.
17791	William H. Gott.....	...do	81. 55	...do	...do	Do.
17791	James Hayes, admin- istrator of John F. Hayes.	...do	158. 14	...do	...do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for pay ment.	When payable, if not appealed.	Nature of claim.
SPRINGFIELD, MO.— continued.						
17791	Payton R. Kelly.....	1897. Feb. 17	23.78	1897. Feb. 18	1897. May 18	Extra pay as letter carrier, under act May 24, 1888.
17791	William Smith.....	do	67.82	do	do	Do.
17791	George Townes.....	do	96.94	do	do	Do.
17791	Louis F. Bollman.....	Feb. 20	20.21	Feb. 23	May 21	Do.
17791	Darwin F. Johnston	do	53.74	do	do	Do.
18466	Ephraim J. McFarland	Feb. 17	53.73	Feb. 19	May 18	Do.
Total			1,909.42			
SOUTH BETHLEHEM, PA.						
20182	Patrick C. Gaffney....	Feb. 20	31.72	Feb. 23	May 21	Do.
20182	William C. Guth.....	do	47.39	do	do	Do.
20182	Clinton H. Mohn.....	do	30.72	do	do	Do.
20182	Samuel B. Noble.....	do	47.39	do	do	Do.
20182	Seward L. Schaffer.....	do	31.72	do	do	Do.
20182	Erwin E. Seems.....	do	3.09	do	do	Do.
Total			192.03			
SAN FRANCISCO, CAL.						
17696	W. W. Bollenger, ad- ministrator of John C. Woods, deceased.	Feb. 24	79.15	Feb. 24	May 25	Do.
17696	Ewald J. Schmieder	do	201.26	do	do	Do.
17696	Charles Abt.....	do	462.81	do	do	Do.
17696	Reason B. Beall.....	do	749.49	do	do	Do.
17696	Sollie Belasco.....	do	310.68	do	do	Do.
17696	Leon L. Beauchamp	do	32.17	do	do	Do.
17696	John J. Black.....	do	136.22	do	do	Do.
17696	Julius Bleamel	do	133.13	do	do	Do.
17696	Daniel H. Bolce.....	do	117.76	do	do	Do.
17696	Louis Bosse	do	107.41	do	do	Do.
17696	Jerome J. Brown	do	381.45	do	do	Do.
17696	George E. Burnham.....	do	146.31	do	do	Do.
17696	Fred C. Calsing.....	do	60.42	do	do	Do.
17696	Guy C. Calden.....	do	201.61	do	do	Do.
17696	Elizabeth Casey, ad- ministratrix of Dan- iel J. Casey, deceased	do	329.74	do	do	Do.
17696	Mary C. L. Cavanaugh, administratrix of Eugene W. Cava- naugh, deceased.	do	327.89	do	do	Do.
17696	James E. Clisham.....	do	157.95	do	do	Do.
17696	Benjamin F. Close.....	do	200.65	do	do	Do.
17696	Horace B. Cooley	do	41.07	do	do	Do.
17696	Frank H. Cresse.....	do	104.98	do	do	Do.
17696	George Crehore.....	do	79.15	do	do	Do.
17696	Charles De La Fon- taine, jr.	do	155.99	do	do	Do.
17696	Charles H. Cushman.....	do	273.40	do	do	Do.
17696	Henry L. Cuzens	do	245.97	do	do	Do.
17696	Edwin F. Demmick.....	do	184.55	do	do	Do.
17696	Ferdinand Deutsch.....	do	229.35	do	do	Do.
17696	Daniel F. Dougherty.....	do	417.47	do	do	Do.
17696	William A. Ducommon.....	do	256.62	do	do	Do.
17696	Solomon Cohen, ad- ministrator of Chas. Eggeeling, deceased.	do	500.23	do	do	Do.
17696	Thomas Evans.....	do	211.27	do	do	Do.
17696	William Fairgrieve.....	do	197.26	do	do	Do.
17696	Fred J. Fargo	do	627.46	do	do	Do.
17696	Delia Spofford, guard- ian of William T. Farrel, insane.	do	335.87	do	do	Do.
17696	Oscar A. Forster.....	do	162.81	do	do	Do.
17696	Charles L. Giller.....	do	132.45	do	do	Do.
17696	William H. Glenn.....	do	326.79	do	do	Do.
17696	Charles A. Gould.....	do	677.19	do	do	Do.
17696	Edward D. Griffin.....	do	127.10	do	do	Do.
17696	Harry M. Hafford.....	do	68.29	do	do	Do.
17696	Thomas Hanley	do	238.80	do	do	Do.
17696	Walter J. Harris.....	do	323.73	do	do	Do.
17696	Dennis C. Harrigan.....	do	233.55	do	do	Do.
17696	John B. Hickey.....	do	123.16	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable if not appealed.	Nature of claim.
SAN FRANCISCO, CAL.—continued.						
17696	Isadore Holz.....	1897. Feb. 24	\$323.47	1897. Feb. 24	1897. May 25	Extra pay as letter carrier. under act May 24, 1888.
17696	Daniel F. Hurley.....	do	93.90	do	do	Do.
17696	John H. Kingston.....	do	381.31	do	do	Do.
17696	George A. Kuhn.....	do	326.58	do	do	Do.
17696	Lewis A. Latham.....	do	372.45	do	do	Do.
17696	Martin J. Lawler.....	do	192.20	do	do	Do.
17696	William E. Linsley.....	do	323.68	do	do	Do.
17696	Ray M. Locke.....	do	150.96	do	do	Do.
17696	Robert S. Logan, jr.....	do	369.15	do	do	Do.
17696	Stephen T. Luck.....	do	286.10	do	do	Do.
17696	Timothy C. McAuliffe.....	do	329.72	do	do	Do.
17696	Cornelius M. McCarthy.....	do	57.54	do	do	Do.
17696	Edward Miller.....	do	244.45	do	do	Do.
17696	John F. Murray.....	do	101.72	do	do	Do.
17696	Arthur E. Nathanson.....	do	397.60	do	do	Do.
17696	John J. Nicholson.....	do	167.19	do	do	Do.
17696	Thomas Nixon.....	do	291.85	do	do	Do.
17696	Maurice Newman.....	do	230.18	do	do	Do.
17696	Frank B. Newlon.....	do	247.20	do	do	Do.
17696	Lewis C. Norstrom.....	do	336.95	do	do	Do.
17696	John J. O'Brien.....	do	470.28	do	do	Do.
17696	John F. O'Connor.....	do	61.41	do	do	Do.
17696	George O'Neil.....	do	166.55	do	do	Do.
17696	Thomas F. O'Malley.....	do	69.70	do	do	Do.
17696	Arthur Frederick George Parisien.....	do	251.38	do	do	Do.
17696	Frank Reilly.....	do	365.71	do	do	Do.
17696	William W. Reilly.....	do	91.27	do	do	Do.
17696	Mark Ryan.....	do	440.17	do	do	Do.
17696	Herman Schaefer.....	do	107.60	do	do	Do.
17696	Christian P. Skov.....	do	145.98	do	do	Do.
17696	Fred W. Sink.....	do	152.85	do	do	Do.
17696	John G. Spafford.....	do	320.69	do	do	Do.
17696	Isaac Springer, jr.....	do	383.95	do	do	Do.
17696	Fred H. Stanley.....	do	72.79	do	do	Do.
17696	Lewis A. Steves.....	do	448.70	do	do	Do.
17696	Thomas H. Stewart.....	do	171.59	do	do	Do.
17696	Green A. Stephens.....	do	60.84	do	do	Do.
17696	George H. Swift.....	do	575.65	do	do	Do.
17696	Joseph J. Tierney.....	do	108.80	do	do	Do.
17696	Thomas P. Tierney.....	do	108.95	do	do	Do.
17696	Carl Timm.....	do	628.30	do	do	Do.
17696	William B. Travers.....	do	184.55	do	do	Do.
17696	Henry C. Vandewater.....	do	60.02	do	do	Do.
17696	Jacob H. Vollmer.....	do	84.23	do	do	Do.
17696	Thomas H. Wills.....	do	94.66	do	do	Do.
17696	William H. Wharff, administrator of John E. Wilson, de- ceased.	do	331.02	do	do	Do.
18862	Gaston Goldsmith.....	do	381.31	do	do	Do.
	Total.....		21,973.76			
SARATOGA SPRINGS, N. Y.						
20441	Frank M. Coleman.....	Feb. 25	20.62	Feb. 25	May 26	Do.
19844	Albert W. Brown.....	do	207.37	do	do	Do.
19844	Martin T. Crooks.....	do	78.28	do	do	Do.
19844	Wm. H. Daugherty.....	do	57.54	do	do	Do.
19844	John Furey.....	do	99.90	do	do	Do.
19844	Guy E. Pierson.....	do	127.06	do	do	Do.
	Total.....		590.77			
TYLER, TEX.						
19453	Henry Clay Butler.....	Jan. 21	55.48	Jan. 25	Apr. 21	Do.
19453	Charles Harry Coffin.....	do	65.90	do	do	Do.
19453	John W. Scott.....	do	32.37	do	do	Do.
19453	Josiah Bissell Stuart.....	do	51.92	do	do	Do.
	Total.....		205.67			

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
WATERLOO, IOWA.						
19129	J. P. Von Lackman ...	1897. Feb. 8	\$21.91	1897. Feb. 11	1897. May 9	Extra pay as letter carrier, under act May 24, 1888.
19129	George P. Beck, jr.	do	106.48	do	do	Do.
19129	Albert L. Lensen	do	158.41	do	do	Do.
19129	Frank J. Landgraaf	do	64.84	do	do	Do.
19129	Fred. J. Hallister	do	32.79	do	do	Do.
	Total		384.43			
WINFIELD, KANS.						
19657	William B. Denton ...	Feb. 8	28.13	Feb. 11	May 9	Do.
19657	John A. Foults	do	44.58	do	do	Do.
19657	Daniel W. Salmans	do	44.98	do	do	Do.
19657	James H. Vance	do	42.93	do	do	Do.
19657	Renry O. Woolley	do	45.92	do	do	Do.
	Total		206.54			
WACO, TEX.						
17074	Moses P. Clinton	Feb. 17	213.65	Feb. 18	May 18	Do.
17074	Samuel P. Crow	do	271.07	do	do	Do.
17074	Charles W. Davis	do	148.31	do	do	Do.
17074	Charles G. Dutton	do	180.73	do	do	Do.
17074	David Payne	do	105.33	do	do	Do.
17074	George A. Waddell	do	34.53	do	do	Do.
17074	Robert J. Brooks	Feb. 20	29.90	Feb. 23	May 21	Do.
17074	Augustus B. Trippe ...	do	29.46	do	do	Do.
	Total		1,012.98			
WAUSAU, WIS.						
18673	John Egeler	Feb. 17	211.57	Feb. 18	May 18	Do.
18673	Henry Drake	do	305.69	do	do	Do.
18673	Frederick Marquardt ...	do	289.91	do	do	Do.
18673	Job B. Vaughan	do	211.57	do	do	Do.
	Total		1,018.74			
WELLINGTON, KANS.						
19656	Charley E. Bright	Feb. 17	110.13	Feb. 18	May 18	Do.
19656	Alexis Franklin Eich- elberger.	do	106.62	do	do	Do.
19656	John P. Millard	do	51.42	do	do	Do.
19656	George M. Rarey	do	236.00	do	do	Do.
	Total		504.17			
WICHITA, KANS.						
18186	William Bartrim	Feb. 17	14.60	Feb. 18	May 18	Do.
18186	William E. Barlow	do	163.85	do	do	Do.
18186	Harry F. Dean	do	103.68	do	do	Do.
18186	William C. Donnelly ...	do	349.62	do	do	Do.
18186	Charles G. Lilly	do	104.96	do	do	Do.
18186	George J. Mold	do	108.88	do	do	Do.
18186	Ezekiel B. Smith	do	103.68	do	do	Do.
18186	Thomas J. Whiteker ...	do	216.07	do	do	Do.
18186	John H. Wright	do	349.62	do	do	Do.
19335	George T. Chouteau ...	do	207.38	Feb. 19	do	Do.
19335	Cary D. Davis	do	207.38	do	do	Do.
19335	John T. McDonald ...	do	193.16	do	do	Do.
19335	Victor H. Skinner	do	92.84	do	do	Do.
19335	Edwin B. Walden	do	207.38	do	do	Do.
18950	Andrew W. Lyons	do	112.16	do	do	Do.
	Total		2,535.26			
WORCESTER, MASS.						
18901	Michael J. O'Malley ..	Feb. 20	128.42	Feb. 23	May 21	Do.
19263	Eugene C. Halton	do	89.57	do	do	Do.
19263	Arthur C. Perry	do	67.60	do	do	Do.
19224	James T. Redican	do	184.75	do	do	Do.
19924	Henry F. McIntire	do	115.52	do	do	Do.
12224	Thomas H. Doherty ...	do	89.57	do	do	Do.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
WORCHESTER, MASS.—continued.						
19224	John T. Dowd	1897. Feb. 20	\$115.53	1897. Feb. 23	1897. May 21	Extra pay as letter carrier, under act May 24, 1888.
19224	Joseph S. O'Connor	do	94.97	do	do	Do.
19224	John P. O'Hara	do	174.10	do	do	Do.
19224	Ben H. Clough	do	89.57	do	do	Do.
19224	Jesse F. Thompson	do	3.71	do	do	Do.
19224	Charles Carrigan	do	122.40	do	do	Do.
19224	Sidney L. Reed	do	89.57	do	do	Do.
19224	Lawrence Manning	do	115.52	do	do	Do.
19224	John W. Bacon	do	133.44	do	do	Do.
18160	Edward M. Church	do	218.84	do	do	Do.
18160	Louisa M. Church, administratrix of Moses Church.	do	160.21	do	do	Do.
18160	R. Howard Church	do	83.61	do	do	Do.
18160	John T. Cooper	do	33.77	do	do	Do.
18160	James F. Grace	do	96.58	do	do	Do.
18160	William J. Heffron	do	89.57	do	do	Do.
18160	Herbert A. Jones	do	92.20	do	do	Do.
18160	Flora Rosali Lesage, administratrix of Joseph P. Lesage.	do	105.45	do	do	Do.
18160	James M. Maguire	do	76.98	do	do	Do.
18160	Walter J. McGauley	do	173.45	do	do	Do.
18160	Patrick J. McKeon	do	115.24	do	do	Do.
18160	Augustus Stone	do	149.19	do	do	Do.
18160	Jerome M. Stone	do	164.04	do	do	Do.
18160	Samuel H. Tainter	do	13.40	do	do	Do.
18160	Peter F. Whalen	do	60.27	do	do	Do.
18160	Augustus F. White	do	116.16	do	do	Do.
18160	James J. Gavin	Feb. 25	25.95	Feb. 26	May 26	Do.
Total			3,389.15			
WASHINGTON, PA.						
19114	Walter R. Oliver	Jan. 28	13.20	Feb. 8	Apr. 28	Do.
18830	Joseph F. Anderson	do	90.83	Feb. 3	do	Do.
Total			104.03			
WILKESBARRE, PA.						
17003	Israel P. Long	Feb. 25	346.70	Feb. 25	May 26	Do.
XENIA, OHIO.						
18802	John L. Hook	Jan. 28	52.29	Feb. 8	Apr. 28	Do.
Total letter carrier judgments.			311,620.63			
MISCELLANEOUS.						
18132	William J. Barnette. Interest on this judgment from Mar. 27, 1895, to Jan. 28, 1897, at 4 per cent (26 Stat., p. 537)	1895. Mar. 18	780.25	1895. Mar. 27	(*)	Difference in pay as naval officer.
16875	Charles A. Hitchcock. Interest on this judgment from Feb. 25, 1892, to Dec. 31, 1896, at 4 per cent (26 Stat., p. 537)	1892. Feb. 23	11,859.60	1892. Feb. 25	(†)	Erection of public building at Galveston, Tex.
18223	Otis W. Pollock	1897. Jan. 18	94.66	1897. Jan. 26	1897. Apr. 18	Allowance to Army officer.
18203	James J. and John M. Kelly.	1896. June 22	11,857.00	Feb. 10	1896. Sept. 20	Balance due on contract for building custom-house at Chattanooga, Tenn.

* Mandate of Supreme Court January 28, 1897, affirming judgment.
Mandate of Supreme Court December 31, 1896, affirming judgment.

Judgments of the Court of Claims—Continued.

No.	Name of claimant.	Date of judgment.	Amount.	When presented for payment.	When payable, if not appealed.	Nature of claim.
MISCELLANEOUS—CON.						
14547	David Myerle, executor of Phineas Burgess, deceased.	1897. Jan. 25	129,811.45	1897. Feb. 11	1897. Apr. 25	Extra work done on the iron clad monitor <i>Monadnock</i> .
14548	Mary J. Glynn.....	Jan. 11	2,843.01	Jan. 20	Apr. 11	Bounty on burnt sugar.
17758	Casper H. Conrad, jr..	Feb. 1	492.00	Feb. 6	May 2	Pay as cadet, Military Academy.
20517	William Chalker	Feb. 16	120.00	Feb. 17	May 17	Additional pay Marine Corps
17914	Columbus Thomas and Daniel A. Driscoll.	1896. Dec. 14	5,244.62	1896. Dec. 24	Mar. 14	Contract for addition to court-house at Atlanta, Ga.
20567	Henry Moller.....	1897. Feb. 18	180.00	1897. Feb. 23	May 19	Pay as reenlisted man Marine Corps.
16835	William Courtenay, administrator de bonis non of George W. Lawrence, dec'd	Feb. 23	36,385.08	...do....	May 24	Extra work done on the monitor <i>Wassuc</i> .
18388	Ellen E. Reagan, executrix of Richard B. Reagan.	Feb. 8	668.64	Feb. 15	May 9	Fees, etc., as marshal, United States court.
18183	Alexander R. Nininger.	...do....	5,275.47	Feb. 10	...do....	Do.
18919	Thomas B. Needles ...	Feb. 15	6,513.87	Feb. 18	May 16	Do.
18278	Charles C. Austin.....	Feb. 17	1,903.53	Feb. 20	May 18	Do.
18785	Fred W. Collins	...do....	1,498.58	Feb. 19	...do....	Do.
18639	Simon S. Matthews...	Feb. 18	437.26	Feb. 20	May 19	Do.
19711	James A. Moore	Feb. 23	598.44	Feb. 24	May 24	Do.
18082	Charles M. Stafford ...	Feb. 25	1,200.24	Feb. 25	May 26	Do.
17449	Owen T. Rouse.....	Feb. 8	277.60	Feb. 13	May 9	Fees as district attorney, United States courts.
19627	James H. Watts	Jan. 11	266.60	Jan. 18	Apr. 11	Fees as commissioner United States courts.
19988	William H. Faucett ..	Feb. 8	650.40	Feb. 15	May 9	Do.
18099	Boon Crawford	Jan. 4	280.85	Jan. 11	Apr. 4	Do.
19400	Thomas J. Crooks	Jan. 18	1,201.75	Jan. 19	Apr. 18	Do.
17020	A. Judd Northrup....	Feb. 15	144.15	Feb. 18	May 16	Do.
19885	Mary A. Payne, administratrix of John W. Payne.	...do....	73.65	Feb. 19	...do....	Do.
19639	John T. Patterson....	...do....	398.55	Feb. 20	...do....	Do.
15810	Mark McDonough....	Feb. 17	118.50	Feb. 23	May 18	Do.
19925	Mary A. Payne, administratrix of John W. Payne.	Feb. 24	98.00	Feb. 24	May 25	Do.
19967	Charles J. Carson.....	Feb. 23	30.80	...do....	May 24	Do.
20131	Chapel W. Tweed.....	...do....	119.00	...do....	...do....	Do.
19969	Nash R. Broyles.....	Jan. 25	301.30	Jan. 27	Apr. 25	Do.
19458	Samuel M. Hitchcock..	Feb. 8	80.70	Feb. 16	May 9	Do.
19574	William H. Faucett ..	Feb. 18	79.25	Feb. 23	May 19	Do.
19566	John M. Landon.....	...do....	160.95	...do....	...do....	Do.
19946	Elijah F. Hall	Feb. 24	27.20	Feb. 25	May 25	Do.
19945	Elbert Wallace	...do....	120.00	...do....	...do....	Do.
20009	Alfred T. Summey	...do....	31.20	...do....	...do....	Do.
20621	James A. Thorn	...do....	25.60	...do....	...do....	Do.
19377	Madison J. Julian	Jan. 25	84.15	Feb. 3	Apr. 25	Do.
17709	Mary E. Getty, administratrix of Alfred B. Getty.	Jan. 8	406.05	Feb. 13	Apr. 8	Do.
19626	Samuel A. Wilkinson..	Feb. 15	835.60	Feb. 24	May 16	Do.
19917	Eugene H. Luitwieler..	Feb. 17	579.68	Feb. 19	May 18	Do.
19386	John Halley	Feb. 25	290.15	Feb. 27	May 26	Do.
19628	James T. Saunderson..	...do....	283.30	...do....	...do....	Do.
19446	Wayman C. Jackson....	...do....	751.09	...do....	...do....	Do.
18121	James E. Reed.....	1896. May 11	1,265.50	1896. May 15	1896. Aug. 9	Fees as clerk of United States court.
18125	Charles B. Germain...	1897. Jan. 18	242.00	1897. Feb. 20	1897. Apr. 18	Do.
18704	Edward Kurtz.....	Feb. 23	132.80	Feb. 24	May 24	Do.
18102	William M. Van Dyke	Feb. 8	565.95	Feb. 13	May 9	Do.
Total miscellaneous judgments.			230,045.32			
Total judgments			541,665.95			

RECAPITULATION OF LETTER-CARRIER JUDGMENTS, BY CITIES.

Name of city.	Amount.	Name of city.	Amount.
Alameda, Cal	\$1,106.90	New Orleans, La.....	\$2,943.94
Abilene, Kans	811.53	New York, N. Y	3,287.50
Aspen, Colo.....	1,222.69	Nashville, Tenn.....	70.29
Appleton, Wis.....	473.27	Niagara Falls, N. Y	831.78
Arkansas City, Kans.....	56.74	New Bedford, Mass.....	392.52
Austin, Tex.....	737.97	Newburg, N. Y	2,151.12
Allentown, Pa.....	2,758.06	Newton, Kans.....	1,385.40
Altoona, Pa.....	3,417.05	North Adams, Mass.....	307.71
Baton Rouge, La.....	157.56	Ogden, Utah.....	960.32
Beloit, Wis.....	593.77	Ottawa, Ill.....	1,697.96
Bloomington, Ill.....	5,533.97	Oakland, Cal.....	7,047.55
Bloomfield, N. J.....	177.78	Oshkosh, Wis.....	3,525.22
Batavia, N. Y.....	293.32	Pasadena, Cal.....	1,133.92
Bethlehem, Pa.....	861.96	Pine Bluff, Ark.....	429.48
Canton, Ill.....	249.13	Pekin, Ill.....	1,057.64
Chicago, Ill.....	94,835.29	Paris, Tex.....	122.26
Charleston, S. C.....	24,383.17	Peoria, Ill.....	5,840.93
Cairo, Ill.....	752.06	Pueblo, Colo.....	2,548.94
Carlisle, Pa.....	873.09	Poughkeepsie, N. Y.....	1,851.04
Chippewa Falls, Wis.....	1,064.00	Port Jervis, N. Y.....	2,119.91
Colorado Springs, Colo.....	2,330.89	Portland, Oreg.....	542.97
Chambersburg, Pa.....	1,357.58	Pittsfield, Mass.....	2,272.15
Columbus, Ga.....	232.11	Rome, N. Y.....	203.99
Dallas, Tex.....	1,806.55	Reading, Pa.....	32.71
Denison, Tex.....	201.54	San Antonio, Tex.....	2,366.35
Denver, Colo.....	20,158.80	Seattle, Wash.....	450.88
East Orange, N. J.....	1,732.44	St. Louis, Mo.....	1,747.72
El Paso, Tex.....	551.25	St. Albans, Vt.....	485.74
Emporia, Kans.....	2,005.21	San Diego, Cal.....	2,123.79
Eau Claire, Wis.....	1,745.23	San Bernardino, Cal.....	38.19
Easton, Pa.....	1,713.76	Shreveport, La.....	1,686.79
Fort Smith, Ark.....	1,748.63	Santa Rosa, Cal.....	782.04
Fort Scott, Kans.....	1,459.38	Stockton, Cal.....	1,831.16
Fort Worth, Tex.....	853.51	Santa Cruz, Cal.....	339.57
Gainesville, Tex.....	685.95	Sherman, Tex.....	110.92
Grand Island, Nebr.....	147.79	Streator, Ill.....	330.16
Galveston, Tex.....	4,557.48	Salina, Kans.....	1,314.04
Greensburg, Pa.....	618.28	Sheboygan, Wis.....	409.09
Harrisburg, Pa.....	198.67	Sing Sing, N. Y.....	899.50
Hot Springs, Ark.....	714.28	Sacramento, Cal.....	3,035.60
Hastings, Nebr.....	530.18	San Jose, Cal.....	3,247.74
Hutchison, Kans.....	402.21	Springfield, Mo.....	1,909.42
Hagerstown, Md.....	581.30	South Bethlehem, Pa.....	192.03
Houston, Tex.....	1,270.42	San Francisco, Cal.....	21,973.76
Hudson, N. Y.....	1,540.59	Saratoga Springs, N. Y.....	590.77
Janesville, Wis.....	533.18	Tyler, Tex.....	205.67
Johnstown, Pa.....	1,701.04	Waterloo, Iowa.....	384.43
Joliet, Ill.....	2,060.95	Winfield, Kans.....	206.54
Kearney, Nebr.....	131.62	Waco, Tex.....	1,012.98
Little Rock, Ark.....	2,479.74	Wausau, Wis.....	1,018.74
Lansing, Mich.....	26.40	Wellington, Kans.....	504.17
Los Angeles, Cal.....	4,883.31	Wichita, Kans.....	2,535.26
Mankato, Minn.....	231.05	Worcester, Mass.....	3,389.15
Milford, Mass.....	189.64	Washington, Pa.....	104.03
Madison, Wis.....	2,287.77	Wilkesbarre, Pa.....	346.70
Morristown, N. J.....	164.29	Xenia, Pa.....	52.29
Milwaukee, Wis.....	3,158.67		
Middletown, N. Y.....	3,623.71		
Mount Vernon, N. Y.....	2,263.45		
		Total letter-carrier judgments..	311,620.63

SETTLEMENT IN FAVOR OF EDWARD BAXTER.

MARCH 1, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY, TRANSMITTING AN ADDITIONAL SETTLEMENT BY THE ACCOUNTING OFFICERS OF THE TREASURY IN FAVOR OF EDWARD BAXTER, SPECIAL ASSISTANT UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF TENNESSEE, FOR INCLUSION IN THE GENERAL DEFICIENCY BILL.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., March 1, 1897.

SIR: I have the honor to transmit herewith, for inclusion in the general deficiency bill now pending, an additional settlement by the accounting officers of the Treasury in favor of Edward Baxter, special assistant United States attorney for the middle district of Tennessee, as follows:

Pay of special assistant attorneys, United States courts.

To pay amounts found due by the accounting officers of the Treasury in favor of Edward Baxter, special assistant United States attorney for the middle district of Tennessee, on account of the appropriation "Pay of special assistant attorneys, United States courts," for the fiscal years as follows:

For the fiscal year 1896.....	\$2,000
For the fiscal year 1895.....	2,000
For the fiscal year 1894.....	2,000
For the fiscal year 1893.....	500
Total	6,500

Respectfully, yours,

W. E. CURTIS, *Acting Secretary.*

The PRESIDENT OF THE SENATE.

OFFICIAL RESIDENCES FOR UNITED STATES AMBASSA-
DORS, ETC.

MARCH 1, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following
LETTER FROM THE SECRETARY OF STATE IN REGARD TO OFFI-
CIAL RESIDENCES FOR OUR AMBASSADORS AND MINISTERS.

DEPARTMENT OF STATE,
Washington, February 27, 1897.

SIR: In connection with my letter of the 15th instant, in regard to official residences for our ambassadors and ministers (Senate Doc. No. 128, Fifty-fourth Congress, second session), I have now the honor to apprise you of the receipt of a dispatch from Mr. Wayne MacVeagh, United States ambassador at Rome, No. 236, of the 5th instant, upon the subject.

Mr. MacVeagh reports that Germany, Great Britain, and Turkey are the only countries out of twenty-nine represented at the Italian capital that own and occupy official residences for their respective embassies.

Mr. MacVeagh estimates a suitable official residence in a desirable location could be had for between \$90,000 and \$200,000.

I have the honor to be, sir, your obedient servant,

RICHARD OLNEY.

Hon. ADLAI E. STEVENSON,
Vice-President of the United States.



APPROPRIATION FOR GOVERNMENT WHARF AT
WAKEFIELD, VA.

MARCH 1, 1897.—Referred to the Committee on Appropriations and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE ACTING SECRETARY OF THE TREASURY,
TRANSMITTING COPY OF A COMMUNICATION FROM THE
SECRETARY OF WAR, SUBMITTING AN ESTIMATE OF APPRO-
PRIATION FOR GOVERNMENT WHARF AT WAKEFIELD, VA.

TREASURY DEPARTMENT,
March 1, 1897.

SIR: I have the honor to transmit herewith, for the consideration of Congress, copy of a communication from the Secretary of War, of to-day's date, submitting an estimate of appropriation for Government wharf at Wakefield, Va., for the service of the fiscal year ending June 30, 1898, \$987.

Respectfully, yours,

W. E. CURTIS,
Acting Secretary.

The PRESIDENT OF THE SENATE.

WAR DEPARTMENT,
Washington City, March 1, 1897.

SIR: I have the honor to forward herewith for transmission to Congress, estimate (\$987) of appropriation for "Government wharf at Wakefield, Va.," required for the use of the War Department for the service of the fiscal year ending June 30, 1898.

Very respectfully, yours,

DANIEL S. LAMONT,
Secretary of War.

The SECRETARY OF THE TREASURY.

OFFICE OF PUBLIC BUILDINGS AND GROUNDS,
Washington, D. C., February 25, 1897.

GENERAL: I have the honor to report that on February 6, 1897, a violent storm and extensive ice jam caused considerable damage to the United States wharf near Wakefield, Va. It appears that a strong northeast wind heaped up the loose ice against the enlarged outer end of the wharf; this ice finally broke loose and was driven shoreward; it

struck the east side of the wharf between the ninth and fourteenth bents from the pier head. The piles in this wharf are cast iron, three in each bent; twelve of them, distributed through six bents, were broken off; thirty had portions of the flanges broken off. Two entire bents were broken, but some of the broken piles in these bents remain in position supporting the timber superstructure, though not at all securely. It is liable at any time to be carried away. In its present condition the wharf is totally useless; it cost about \$11,000, and is comparatively new. There is no money available for its repair. I therefore recommend that Congress be asked to make an appropriation for this purpose, the funds to be immediately available, if possible.

The quickest and cheapest way to repair the damage would be to drive timber piles to take the place of the broken cast-iron ones, and then to renew and repair the superstructure. Timber piles would probably resist being broken by impact better than cast iron; however, it appears from the original project of General (then Colonel) Casey, in accordance with which the wharf was built, that timber piles are, in this locality, subject to rapid destruction by the Tereido Navalis. I therefore recommend that the wharf be repaired with piles made of 6-inch extra heavy black steam pipe, which is a merchantable article of reasonable cost. The piles will have a screw or disk attached to the lower end, and a heavy flange (one-half of a flange union) on the upper end; the completed pile will be heated and dipped in hot asphaltum. By this means the ravages of the Tereido and the brittleness of the cast iron will both be avoided. The steam pipe referred to will have ample strength.

It is probable that the greater part of seven bays of the floor system will have to be totally removed in order to give access to the positions where the piles are to go. Some of the timbers may be saved, but it is probable that most of them will be too much damaged to use again; an estimate for entirely new timber is submitted. It is proposed to restore the floor system practically as it was before the storm. All the timbers will be Georgia pine.

In the case of the piles with broken flanges it is proposed to bend 3 by 3 by $\frac{5}{8}$ inch angle irons into the shape of collars (in two pieces each), put them under the flanges and draw them tight with $\frac{3}{4}$ -inch bolts, and then bolt the timbers of the floor system to these angle-iron collars.

The estimate of cost is as follows:

Removing old timbers, etc.....	\$30.00
12 wrought-iron piles, 7,500 pounds, at 4 cents.....	300.00
Driving same (including cost of moving jet pump, engine, etc).....	120.00
30 angle-iron collars, 1,200 pounds, at $3\frac{1}{2}$ cents.....	42.00
Timber, 8,400 board feet, at \$45 (in position).....	378.00
Spikes, bolts, etc., 800 pounds, at $3\frac{1}{2}$ cents.....	28.00
	898.00
Contingencies	89.00
Total	987.00

If timber piles be used the above estimate can be reduced by about \$275, but this is not believed to be economical in the long run.

Very respectfully, your obedient servant,

JOHN STEPHEN SEWELL,
First Lieut., Corps of Engineers, U. S. A.

Brig. Gen. JOHN M. WILSON,
Chief of Engineers, U. S. A., Washington, D. C.

[First indorsement.]

OFFICE CHIEF OF ENGINEERS, U. S. ARMY,
February 27, 1897.

Respectfully submitted to the Secretary of War with special estimate for \$987 for repairs required.

This wharf was built in 1894 in accordance with the terms of the joint resolution of Congress approved February 25, 1893; the joint resolution prescribed that it should be constructed in accordance with the plans then on file of one of my predecessors.

The object of the wharf was to provide means of access to the site of the monument, since erected at the birthplace of Washington.

As the wharf is a substantial structure, which can withstand any ordinary freshet or ice jam, it is recommended that it shall be repaired.

The charge of it under the War Department was assumed by the officer in charge of public buildings and grounds when a watchman was appointed under the War Department, as provided in the act of May 28, 1896 (legislative, executive, and judicial bill).

JOHN M. WILSON,
Brig. Gen., Chief of Engineers, U. S. A.

*Estimates of appropriations required for the service of the fiscal year ending June 30, 1898,
by the Chief of Engineers.*

Government wharf at Wakefield, Va.—

For immediate repairs to the Government wharf at Wakefield, Va., constructed under authority of the joint resolution of Congress approved February 25, 1893, as a means of approach to the monument erected to mark the birthplace of George Washington (act of February 25, 1893, vol. 27, p. 756, sec. 1).....	\$987.00
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NOTE.—The necessity for this appropriation is fully set forth in the accompanying copy of letter of February 25, 1897, from the officer in charge of the Office of Public Buildings and Grounds.

HARRIET M. KNOWLTON.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

RETURNING,

WITHOUT HIS APPROVAL, SENATE BILL NO. 719, ENTITLED "AN
ACT TO RESTORE A PENSION TO HARRIET M. KNOWLTON."

MARCH 1, 1897.—Referred to the Committee on Pensions and ordered to be printed.

To the Senate:

I return herewith, without approval, Senate bill No. 719, entitled "An act to restore a pension to Harriet M. Knowlton."

Maj. William Knowlton, a most worthy volunteer soldier, died of wounds received in battle on the 20th day of September, 1864.

In 1865 his widow, the beneficiary named in this bill, was pensioned at the rate of \$25 a month, commencing on the day of her husband's death, with an additional allowance for four minor children dating from July, 1866.

She continued to receive this pension and allowance until November, 1867, when she married Albin P. Stinchfield.

Thereupon her name was dropped from the pension roll, she having by her remarriage lost her pensionable condition; and her children were pensioned at a small monthly rate from the date of their mother's remarriage until June 1, 1880, when the youngest became 16 years of age.

The beneficiary, after living with her second husband about twenty-two years, secured a divorce from him in the year 1889, and it is now proposed to pension the divorced wife as the widow of her deceased soldier husband at the rate she received while she was actually his widow, thirty years ago.

Her pensionable relation to the Government terminated with her marriage, and her divorce from her second husband could not upon any ground of principle restore it. A departure from this rule, even in aid of cases of hardship, can not fail to establish precedents inviting the abandonment of reasonable and justifiable pension theories.

GROVER CLEVELAND.

EXECUTIVE MANSION, *March 1, 1897.*

[Fifty-fourth Congress of the United States of America; at the second session, begun and held at the city of Washington on Monday, the seventh day of December, one thousand eight hundred and ninety-six.]

An act to restore a pension to Harriet M. Knowlton.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior be, and he is hereby, authorized and directed to restore to the pension roll, subject to the provisions and limitations of the pension laws, the name of Harriet M. Knowlton, widow of the late Major Knowlton, of the Twenty-ninth Maine Volunteer Infantry, at the rate of twenty-five dollars per month.

THOMAS B. REED,
Speaker of the House of Representatives.

A. E. STEVENSON,
Vice-President of the United States and President of the Senate.

○

AMERICAN CITIZENS IN PRISON IN CUBA.

M E S S A G E

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING,

IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 24, 1897,
A REPORT FROM THE SECRETARY OF STATE, COVERING COPIES OF THE CORRESPONDENCE AND REPORTS OF THE CONSUL-GENERAL OF THE UNITED STATES AT HABANA RELATING TO ALL AMERICAN CITIZENS NOW IN PRISON IN THE ISLAND OF CUBA NOT PREVIOUSLY REPORTED ON.

MARCH 1, 1897.—Referred to the Committee on Foreign Relations and ordered to be printed.

To the Senate:

In response to the resolution of the Senate of the 24th ultimo, I transmit herewith a report from the Secretary of State covering copies of the correspondence and reports of the consul-general of the United States at Habana relating to all American citizens now in prison in the Island of Cuba not previously reported on.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, March 1, 1897.

The PRESIDENT:

The undersigned Secretary of State, having received a resolution passed in the Senate of the United States on the 24th ultimo, in the following words—

Resolved, That the Secretary of State be, and he is hereby, requested to transmit to the Senate either in open or secret session as he may prefer, all the correspondence and reports of the consul-general of the United States at Habana relating to all American citizens now in prison in the Island of Cuba not previously reported on, has the honor to lay before the President a report covering the correspondence requested in said resolution, to the end that, if in the President's judgment not incompatible with the public interest, the same be transmitted to the Senate in response to the foregoing resolution.

Respectfully submitted.

RICHARD OLNEY.

DEPARTMENT OF STATE,
Washington, March 1, 1897.

CORRESPONDENCE.

ARREST OF SYLVESTER SCOVEL.

1. Telegram, Mr. Lee to Mr. Rockhill, February 6, 1897.
2. Telegram, Mr. Olney to Mr. Lee, February 7, 1897.
3. Telegram, Mr. Rockhill to Mr. Lee, February 7, 1897.
4. Telegram, Mr. Lee to Mr. Olney, February 7, 1897.
5. Telegram, Mr. Lee to Mr. Rockhill, February 8, 1897.
6. Telegram, Mr. Lee to Mr. Rockhill, February 8, 1897.
7. Telegram, Mr. Lee to Mr. Rockhill, February 9, 1897.
8. No. 339, Mr. Lee to Mr. Rockhill, February 10, 1897.
9. Telegram, Mr. Lee to Mr. Rockhill, February 11, 1897.
10. No. 349, Mr. Lee to Mr. Rockhill, February 13, 1897.
11. Telegram, Mr. Lee to Mr. Rockhill, February 16, 1897.
12. No. 354, Mr. Lee to Mr. Rockhill, February 16, 1897.
13. Telegram, Mr. Lee to Mr. Rockhill, February 19, 1897.

ARREST OF CHARLES SCOTT.

1. Telegram, Mr. Lee to Mr. Rockhill, February 9, 1897.
2. Telegram, Mr. Lee to Mr. Rockhill, February 20, 1897.
3. Telegram, Mr. Lee to Mr. Olney, February 23, 1897.
4. Telegram, Mr. Lee to Mr. Olney, February 23, 1897.
5. Telegram, Mr. Lee to Mr. Olney, February 23, 1897.

ARREST OF F. J. CAZAÑAS.

1. Telegram, Mr. Lee to Mr. Olney, February 17, 1897.
2. Telegram, Mr. Rockhill to Mr. Lee, February 23, 1897.
3. Telegram, Mr. Lee to Mr. Rockhill, February 24, 1897.
4. Telegram, Mr. Rockhill to Mr. Lee, February 25, 1897.
5. Telegram, Mr. Lee to Mr. Rockhill, February 25, 1897.
6. Telegram, Mr. Rockhill to Mr. Lee, February 26, 1897.
7. Telegram, Mr. Lee to Mr. Rockhill, February 26, 1897.
8. Telegram, Mr. Lee to Mr. Rockhill, February 27, 1897.

ARREST OF SYLVESTER SCOVEL.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 6, 1897.*

Sylvester Scovel, World correspondent, arrested yesterday, Tunas, Santa Clara province.

LEE.

Mr. Olney to Mr. Lee.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 7, 1897.

See that all Scovel's rights as American citizen are protected. Report facts.

Mr. Rockhill to Mr. Lee.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 7, 1897.

In case Scovel use every exertion; no summary action taken. Great fear is entertained by friends on account previous expulsion from island. Endeavor to have prisoner brought Habana or nearest United States consulate.

Mr. Lee to Mr. Olney.

[Telegram.]

HABANA, February 7, 1897.

Scovel will be sent here; think he was returning from an interview insurgent commander in chief. He is a splendid scout.

LEE.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, February 8, 1897.

Expect Scovel here on Friday; do not anticipate serious trouble in his case.

LEE.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, February 8, 1897.

Just seen acting captain-general. Scovel arrested on railroad between Sancti Spiritus and Tunas, Santa Clara Province, coming from insurgent camp. It is supposed he had criminating papers, which gives case more serious aspect. May have to be tried Sancti Spiritus. Am trying to get him sent here. Acting captain-general promises to do what he can in that direction.

LEE.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, February 9, 1897.

Scovel's case has passed to civil jurisdiction Sancti Spiritus. Acting captain-general says he no longer has authority over it. Will send special messenger there, and will arrange to see that Article IV protocol be strictly complied with.

LEE.

Mr. Lee to Mr. Rockhill.

No. 339.]

UNITED STATES CONSULATE-GENERAL,
Habana, February 10, 1897.

SIR: As supplementary to my previous dispatch numbered 338, of yesterday's date, confirming, among others, six telegrams relative to the arrest of Sylvester Scovel, an American correspondent, near Tunas, I now have the honor to inclose copies of my communication to the acting captain-general asking that Scovel be brought to Habana, in compliance with the telegraphic instruction of the Department, and his answer thereto to the effect that Scovel's case had been referred to the civil courts in conformity with the treaty and protocol. Consequently I have addressed a note to the judge of Sancti Spiritus having cognizance of the case, asking that article 4 of the protocol of 1877 be strictly complied with. I have made the same request to the acting captain-general.

To-morrow morning a delegate from me will leave for Sancti Spiritus, accompanied by a competent lawyer, to prepare Scovel's defense and see that his rights are protected. I will advise the Department as soon as any further step is taken in the case.

I am, etc.,

FITZHUGH LEE.

[Inclosure 1 in No. 338.]

Mr. Lee to Acting Captain-General of Cuba.

UNITED STATES CONSULATE-GENERAL,
Habana, February 8, 1897.

EXCELLENCY: I have the honor to inform you that Mr. Sylvester Scovel, an American correspondent, has been arrested at Tunas, province of Santa Clara. In compliance with instructions from my Government, I beg your excellency will please instruct the military commandant of said place, or General Luque at Sancti Spiritus, or whatever officer it may correspond, to the end that Mr. Scovel be brought to this capital at the earliest convenience.

I am, etc.,

FITZHUGH LEE.

[Inclosure 2 in No. 338.]

Acting Captain-General to Mr. Lee.

[Translation.]

ARMY OF THE ISLAND OF CUBA,
Captaincy-General, Staff.

General Luque informs me by cablegram of the 5th instant that an American citizen, who said his name was Scovel, had been placed at the disposal of the civil jurisdiction; that the said person was arrested on the railroad track coming from the insurgent camp, and is supposed to be the same one referred to by you in your communication of to-day. Consequently, he is now beyond my authority.

I am, etc.,

El Marques de AHUMADA.

HABANA, 8 February, 1897.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, February 11, 1897.

Scovel in well-ventilated cell, good food, and bed at Sancti Spiritus. Treaty rights have been respected. Is in hands civil jurisdiction. I have sent messenger to report case.

LEE.

Mr. Lee to Mr. Rockhill.

No. 349.]

UNITED STATES CONSULATE-GENERAL,
Habana, February 13, 1897.

SIR: I have the honor to inclose herewith a copy of a letter received from Mr. Sylvester Scovel, a correspondent of the New York World, recently arrested, and now in prison of Sancti Spiritus.

I am, etc.,

FITZHUGH LEE.

[Inclosure in No. 349.]

Mr. Sylvester Scovel to Mr. Lee.

CARCEL OF SANCTI SPIRITUS,
Santa Clara, Cuba, February 8, 1897.

DEAR GENERAL: I have had the misfortune to be without a military pass and was apprehended and am now in prison for that reason. I wished to return to Habana and boarded the train for Tunas at the way station of Zaza. The lieutenant of the guardia civil guarding the train had been instructed by General Luque to look out for an "Ingles" without papers. He saw me, and as I unfortunately came under that category he took me into custody and later into jail. I cabled you the same night on arriving at Tunas (February 6) by permission of the very gentlemanly commandante of the port, but have received no answer.

Rafael Madrigal, the United States representative here, has also cabled and has done everything possible for my comfort. He should receive his credentials as soon as possible. He is a good man. All speak well of him.

I have been well treated and have now a well-ventilated cell, a bed, and good food. Who could want more—in prison?

As I don't see just how I have violated Spanish civil law, and as my case has been handed over to civil jurisdiction, I can't quite "figure out" what crime I have committed.

I made my declaration to the "judge of the first instance" yesterday afternoon, and he courteously immediately put me "in communication," so my rights have so far been respected, I fancy.

I frankly told the judge that I had gone into the field without let nor hindrance from any authority in the performance of my legitimate duties as war correspondent, and that I had never comported myself in any other manner.

I feel sure of your help. Remember me most kindly to your family, and believe me,

Yours, respectfully,
Kindly acknowledge receipt.

SYLVESTER SCOVEL.

SCOVEL.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 16, 1897.*

Scovel's cell Sancti Spiritus large, clean; is provided with all comforts; more comfortable there than would be here; do not recommend his transfer now. Charged, first, rebellion for travelling in the country without military pass; second, possessing false pass; third, obtaining same; fourth, making use of same. Preliminary proceedings closed; date trial not fixed; no papers found on him, except notes eulogistic Spanish soldier.

LEE.

Mr. Lee to Mr. Rockhill.

No. 354.]

UNITED STATES CONSULATE-GENERAL,
Habana, February 16, 1897.

SIR: I have the honor to transmit herewith a copy of a telegram received from Tunas de Zaza, the cable station of Sancti Spiritus, referring to the case of Scovel.

I am, etc.,

FITZHUGH LEE,
Consul-General.

[Inclosure No. 354.]

[Telegram.—Translation.]

TUNAS DE ZAZA. (Received Habana, February 15, 1897.)

LEE, *Consul-General, Habana:*

Scovel treated like a king; his cell in jail ample and clean; consular agent Madrigal providing him with all comforts; authorities courteous; preliminary proceedings concluded; charges: First, rebellion, for traveling in the country without a military pass; he attempted no act of rebellion; second, possessing a false cedula; third, obtaining same; fourth, making use of same. First charge preferred in the bando, declaring state of war. Preliminary proceedings. Leave Friday for Santa Clara. Scovel will remain here until date of trial is designated. I will arrive at Santa Clara to-morrow to activate matter, and thence by train to Habana. Only notes eulogizing the Spanish soldier were found on Scovel. I forward reports and documents, through Madrigal, by steamer leaving to-night.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 19, 1897.*

Competent lawyer obtained of Santa Clara to defend Scovel, who will remain at Sancti Spiritus until trial Santa Clara. Date not yet fixed.

LEE.

ARREST OF CHARLES SCOTT.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 9, 1897.*

Charles Scott, American citizen, arrested Regla this morning; charges not yet known.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 20, 1897.*

Charles Scott, a citizen of the United States, arrested Regla; no charge given. Been without communication, jail, Habana, two hundred and sixty-four hours. Can not stand another Ruiz murder and have demanded his release. How many war vessels Key West or within reach, and will they be ordered here at once if necessary to sustain demand?

LEE.

Mr. Lee to Mr. Olney.

[Telegram.]

HABANA, *February 23, 1897.*

Situation simple; experience at Guanabacoa made it my duty to demand before too late that another American who had been incomunicado two hundred and sixty-four hours, be released from said incomunicado, and did so in courteous terms. If you support it and Scott is so released the trouble will terminate. If you do not I must depart. All others arrested with Scott have been put in communication. Why should only American in lot not be? He has been incomunicado now three hundred and thirty-eight hours.

LEE.

Mr. Lee to Mr. Olney.

[Telegram.]

HABANA, *February 23, 1897.*

Demand complied with. Scott is released from incomunicado.

LEE.

Mr. Lee to Mr. Olney.

[Telegram.]

HABANA, *February 23, 1897.*

Scott released from incomunicado to-day on demand, after fourteen days' solitary confinement in cell 5 feet by 11; damp; water on bottom cell. Not allowed anything to sleep on or chair; discharges of the body removed once five days. Was charged with having Cuban postage stamps in the house. Scott says went always twelve hours without water; once two days. He was employee American gas company.

LEE.

ARREST OF F. J. CAZAÑAS

Mr. Lee to Mr. Olney.

[Telegram.]

HABANA, *February 17, 1897.*

F. J. Cazañas, a citizen of the United States, arrested Sagua 13th. Report from consul forwarded by mail to-day. Proceedings a great outrage. Similar cases here and elsewhere on island. Redress can be obtained here.

LEE.

Mr. Rockhill to Mr. Lee.

[Telegram.]

WASHINGTON, *February 23, 1897.*

Barker dispatch, relative to Cazañas case, just received. Report upon whole case, facts as to naturalization and citizenship, and what you have done or are preparing to do.

ROCKHILL.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 24, 1897.*

Francis Cazañas registered here already; insisted his treaty rights should be respected. Captain-General replied two days ago. Facts in case are being ascertained. Sagua will report result.

LEE.

Mr. Rockhill to Mr. Lee.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 25, 1897.

In Cazañas case you must ascertain and report facts as to residence.

ROCKHILL.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 25, 1897.*

Cazañas resides Sagua since registration here 1872. See my cable yesterday.

LEE.

Mr. Rockhill to Mr. Lee.

[Telegram.]

DEPARTMENT OF STATE,
February 26, 1897.

Cable copy entry in your registration book concerning Francis Cazañas. Give number of his passport.

ROCKHILL.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 26, 1897.*

Copy entry October, 1872; number 414; Francis J. Cazañas; age 31; single; planter; domiciled Sagua; passport number, 18766; cedula issued November 5; number 5441.

LEE.

Mr. Lee to Mr. Rockhill.

[Telegram.]

HABANA, *February 27, 1897.*

Cazañas resided on plantation in Santa Clara Province until May last; since then resided in Sagua; owns property in New York.

LEE.

PROTEST AGAINST PASSAGE OF BAILEY-GEORGE BILL,
AND FAVORING PASSAGE OF TORREY BILL.

MARCH 2, 1897.—Laid on the table and ordered to be printed.

Mr. GEAR presented the following

MEMORIAL OF TOLERTON & STETSON COMPANY, OF SIOUX
CITY, IOWA, AGAINST BAILEY-GEORGE BANKRUPTCY BILL,
AND FAVORING THE TORREY BILL.

JANUARY 18, 1897.

DEAR SIR: We understand that the subject of bankruptcy legislation will be taken up by the Senate on the 25th and that the Senate committee has by majority report recommended the Bailey-George bill, while the minority report will be favorable to the Torrey bill, which has already passed the House.

We address you to protest against the passage of the Bailey-George bill. In our opinion its being enacted into law will be a serious blow to the business interests of this country and will unsettle all business enterprises for at least two years after its passage, that being the limit of its remaining in force.

We are favorable to a uniform bankruptcy law, that will be equitable and just to both creditor and debtor, one under which the honest, deserving, unfortunate debtor may, by making an honest showing, be relieved of his burden and given a chance to commence anew, and under which the dishonest one may receive his just deserts and be prevented from practicing his imposition to the detriment of creditors and his more honest competitors, who are entitled to protection from the results of his dishonest methods.

Under the Bailey-George bill the creditor has no show in any case, while under the Torrey bill he has the means of protecting himself, not only against the dishonest debtor, but the rapacious brother creditor who by means foul or fair gobbles everything in sight.

The credit man will tell you that the bane of his life is fraudulent preferences. The Torrey bill will do away with them, while the Bailey-George bill will foster and encourage them.

The assignment laws of the several States are so diverse that a uniform permanent law is a prime necessity.

Under the Bailey-George bill the courts will be flooded for the two years of its existence with cases, many of which would not appear at all under the Torrey bill because of its permanence and because many concerns if given time could and would weather the storm of their adversity under the protection they would have under the Torrey law.

Our house is in a position to and does succeed in getting claims preferred in as many if not more cases of failure that occur where we are interested than others, and of course we feel gratified in such cases, yet our satisfaction is not unmixed with regret to see so many just as

deserving creditors as ourselves meet with loss of often their entire claim. Under present laws this can not be avoided and many a concern is pushed to the wall that under the Torrey law could weather the storm.

One of the objects of the National Association of Creditmen is to encourage and educate competent men to the business of handling bankrupt estates. We firmly believe that under the Torrey law, with trained men for the position of trustee, the percentage of average dividends paid to creditors can be raised at least 25 per cent over those obtained under the present method.

We suffer most from the fraudulent preferences given to uncles, cousins, and aunts. The jobbing and manufacturing interests of the country should have some protection under the law against this form of fraud.

We suffer next the most from excessive loans made by banks with a secret chattel-mortgage attachment which is sprung at the most opportune time to clean the platter. The Torrey law will give us the necessary protection from such fraud.

You no doubt have given the subject your most earnest thought and are prepared to act as in your opinion will be most conducive to the business interests of the country. If adverse to our opinion our efforts herein will prove superfluous. If in line with our ideas it may serve to strengthen you therein. We hope you can consistently and vigorously oppose the Bailey-George bill and as vigorously champion the Torrey bill.

Respectfully,

TOLERTON & STETSON Co.,
T. H. CHEW, *Secretary*.

Hon. JOHN H. GEAR,
Washington, D. C.

A SUMMARY OF THE TORREY BANKRUPTCY BILL.

A summary, in a paragraph, is as follows:

A measure for the discharge of honest insolvents, the diminution of fraud, the prompt and economical administration of bankrupt estates, the maintenance of integrity in transactions on credit, and the promotion of the industries and commerce.

A summary in brief is as follows:

A voluntary bankrupt is one who petitions to be and is adjudged such; an involuntary bankrupt is one who has been adjudged such in a suit brought by his creditors. The rights and duties of voluntary and involuntary bankrupts and their creditors are identical.

Farmers and wage earners may go voluntarily into bankruptcy, but their creditors can not bring suits in bankruptcy against them.

Anyone except corporations, irrespective of whether they owe more or less than \$1,000, may become a voluntary bankrupt.

Persons, firms, and corporations (except farmers and wage earners) who owe \$1,000 or more, and have committed an act of bankruptcy according to the evidence in a fair and impartial trial, before a jury if desired, may be adjudged bankrupts upon the petition of creditors.

An act of bankruptcy by a debtor consists of conduct or acts calculated to defraud the creditors or insolvency followed by a protracted default of payments due or a failure to prevent an inequitable distribution of the estate.

Creditors need not proceed against a debtor who has committed an act of bankruptcy any more than they need sue every debtor who is in default in payment.

A petition can be filed against a debtor who has committed an act of bankruptcy by three creditors who, together, have unsecured claims for or over \$500; if there are less than twelve creditors, one of them holding such a claim may file the petition. After the suit is begun the defendant will be served as in ordinary suits, and will have "his day in court" and a trial by jury if he desires.

If a judgment in a bankruptcy suit is for the plaintiffs, the defendant will be adjudged a bankrupt. In that event he will retain the exemptions allowed by the laws of the State in which he lives, and, if an honest man, will be released from his debts, and thereby given an opportunity to begin life anew, and be relieved from the demands of his creditors to make good his former misfortunes. If the judgment is for the defendant, the petition will be dismissed at the costs of plaintiffs, as in other suits.

The property of the debtor will remain in his possession and under his control until after adjudication that he is a bankrupt, or the dismissal of the petition, unless the creditors shall give bond and secure its attachment; in that event the debtor may retain possession of his property upon giving a forthcoming bond.

The United States district courts will have jurisdiction of the administration of bankruptcy estates. They can not be administered in the State courts, because Congress has no power to compel State courts to administer national laws.

State courts will retain their jurisdiction to hear and determine controversies between the trustee and adverse claimants concerning property rights.

Controversies may be arbitrated or compromised under the direction of the court.

The offices of referee and trustee are the only ones created by the act.

The referee is an assistant judge, and will be appointed in such numbers and in such localities as will be best calculated to secure a prompt administration of the act and serve the convenience of all parties having bankruptcy business.

The trustee will receive the title of the bankrupt to his property and administer the estate. He will be elected by the creditors in each case. He may recover all property which has been hidden away or fraudulently conveyed.

The referee will receive 1 per cent upon the net amount paid in dividends to creditors from each estate administered before him, or one-half of 1 per cent from estates in which there is a composition, and a filing fee in each case of \$10.

The trustee will receive 5 per cent on the first \$5,000 paid in dividends to creditors, 2 per cent on the second like amount, and 1 per cent on additional amounts, and in each case a filing fee of \$5.

The compensation of the referees and trustees will not be paid until the estates have been administered and the records returned to court.

Making the amount of the fees received and the time of payment depend upon the prompt and economical performance of their duties by the referee and trustee will result in the quick and economical administration of bankrupt estates.

The fees of the clerk, referee, and trustee need not be paid by a proposed voluntary bankrupt who files with his petition an affidavit that he is without and can not obtain the money with which to pay such fees.

The expenses of administering the estate will not be paid until reported in detail under oath and allowed by the court.

The debts which have priority are expenses of caring for the property, filing fees, costs, wages due workmen, clerks, or servants which have been earned within three months, not exceeding \$300 to each one, and debts entitled to priority by State or national laws.

Compromises involving more time in which to pay or a reduction of the amount to be paid may be readily and cheaply effected between honest debtors and their creditors, under very careful restrictions, after a voluntary or involuntary petition has been filed, and either before or after the defendant has been adjudged a bankrupt.

Compromises which have been fraudulently obtained may be set aside upon application made within six months after they were granted.

A petition for a discharge may be filed by a bankrupt not a corporation after two and within the next four months after the adjudication, or conditionally within the next six months, but not afterwards; it must be filed in the court where the proceedings are pending. The discharge will be granted unless the bankrupt has been convicted of having committed some one of the acts forbidden by the bill—giving a preference which has not been surrendered, knowingly made a materially false statement in writing for the purpose of obtaining credit, made a fraudulent transfer of his property, or fraudulently destroyed or neglected to keep books or records showing his financial condition.

Discharges which have been fraudulently obtained may be set aside upon application made within two years after they were granted.

Fraudulent bankrupts, embezzling officers, and creditors who have proven false claims may be punished by imprisonment.

Notices will be sent, at trifling cost by the referee, to all creditors of each step in the proceedings, including the hearing on the application of the bankrupt for a discharge.

Creditors may be heard at all times in support of or in opposition to any proposed step in the administration of the estate.

Claims may be proven by the simple oath of the creditor, and will be allowed upon being filed in person or sent by mail, without the payment of any filing fee; if it is thought that an allowed claim is fraudulent, it may be suspended and investigated.

Preferences are forbidden, and those which have been given may be set aside if proceedings intervene within four months after they have been given.

Valid liens will be upheld; fraudulent ones will be set aside.

Present legitimate business methods will not be interfered with by the bill. It is not a measure relating to transactions between honest solvent persons, firms, or corporations, but for the relief of honest insolvent debtors, the prevention of dishonesty, and the administration of the estates of insolvent and dishonest debtors more economically and equitably than it is possible to do under present laws.

The bill contains the provisions, in addition to the foregoing, necessary to make it a permanent and complete equitable bankruptcy code.

THE PREFERRED CREDITOR.

In reviewing the commendable features of the Torrey bankruptcy bill, which promises to receive the approval of Congress, one must give a prominent place to the fact that the law would sweep out of existence that commercial excrescence, that swindle which is authorized by the statutes of more than one State, the "preferred creditor."

In New York the dishonest practice has reached the greatest proportions, yet under other forms it has been imitated to a great extent. In that State the bankrupt prefers a creditor who is paid in full, while the remaining creditors divide what they can get. Of course it is understood between the bankrupt and the preferred creditor that the former is to be rewarded for his kind services of preferment. In other States it works much the same way, only under a different name and form. In Pennsylvania the bankrupt confesses judgment in favor of whomsoever he sees fit, of course in favor of some confederate; in Michigan he executes a chattel mortgage in favor of his pal.

Whatever objections may be made to a national bankruptcy law, and undoubtedly there are many which may be cited, anyone will admit that the law which places all honest creditors on the same footing would have a powerful influence for good. It would have a tendency to eliminate from commercial circles that element which causes men to trample on their fellows in their wild rush to save themselves. It would tend to reduce the evil of panics, and take from business at such times the character of a furious stampede.—Fort Dodge (Iowa) Daily Chronicle.

A CORRECT AND JUST SOLUTION.

The Torrey bankruptcy bill is again being considered by Congress, with a fair prospect of passing. It is unquestionably the very best and most complete bankruptcy bill ever offered. It has been twice passed by the House of Representatives, and has been indorsed by nearly every board of trade, chamber of commerce, commercial, industrial, and professional body in the United States. It is the only bill providing for a complete and equitable adjustment of matters between debtor and creditor, and is far superior in every respect to the Bailey or any bankruptcy bill of modern times. It is the only correct and just solution of the bankruptcy question, and should speedily become a law. (Bill Barlow's Budget, Douglas, Wis.)

THE COUNTRY DEMANDS IT.

A list of the commercial bodies and leading business men of the country who have petitioned Congress for bankruptcy legislation fills three pages of ordinary letter size in the small print. The principal business organizations lead the list of each State, and include practically every important commercial body in the United States. Probably no measure was ever brought before Congress which was supported before that body by such a strong representation of the commercial, industrial, and financial interest of the nation.

It is difficult to explain why this measure has been delayed so long in Congress. The Torrey bill was passed by the House of Representatives of the Fifty-first Congress. The Senate Committee on the Judiciary reported it favorably, but it was not reached for consideration. In the Fifty-second Congress it was reported favorably by the Judiciary Committee of the House, but its consideration was prevented by the filibustering of a small minority. In the Fifty-third Congress, first session, it was reported without amendment to the House by the Judiciary Committee. In the second session, the enacting clause was struck out by a small majority. It was slightly amended and reintroduced.

In the Fifty-fourth Congress (the Congress whose term expires March 4) it has passed the House and is now before the Senate, where it is meeting with more or less favorable consideration. The hope is expressed that it will pass at an early date, but the Senate has demonstrated such a capacity for allowing almost every kind of proposition except those of real importance to the business interests of the country to occupy its attention that there is not even now the most perfect confidence that this bill will be passed. It is not out of order to say, however, that if the Senate should ignore the almost universal demand of the business men of the country for the passage of an act so important and so essential to the restoration of good times it will have materially strengthened the conviction in the public mind that that body is out of sympathy with the public. If the Senate can not develop sufficient business capacity to take up a matter of this kind and dispose of it in a business-like way, and with due regard to the interests of the country affected by it, we certainly have little to hope from that body in the way of legislation calculated to revive confidence and restore business prosperity.

As an indication of the demand in this State for the passage of the bankruptcy bill, the list of bodies petitioning for such legislation in Minnesota may be interesting. It is as follows:

- The Board of Trade of Minneapolis.
- The Chamber of Commerce of St. Paul.
- The citizens of Duluth, petition.
- The citizens of Mankato, petition.
- The citizens of Marshall, petition.
- The citizens of Minneapolis, two petitions.
- The citizens of Rochester, two petitions.
- The citizens of St. Paul, two petitions.
- Contractors and Builders' Board of Trade of St. Paul.
- Duluth Board of Trade.
- Duluth Chamber of Commerce.
- Fergus Falls Chamber of Commerce.
- Minneapolis Jobbers' Association.
- Minneapolis Business Union.
- Minneapolis Produce Exchange.
- Rochester Board of Trade.
- St. Paul Board of Trade.
- St. Paul Jobbers' Union.
- West Duluth Chamber of Commerce.
- Wholesale Grocers' Association of Minneapolis.
- Winona Board of Trade.
- Winona Jobbers' Association.

And a long list of leading citizens, including many of the foremost business men in the State.

The Journal is thoroughly convinced that there is no measure before Congress or likely to be, not excepting the new tariff bill or the new currency bill, which would do more to further the advance of good times than the passage of a well-considered bankruptcy bill. The enactment of a law under which men whose fortunes have been wrecked by the financial storm of the past three or four years, but who are often among the most enterprising and active promoters of industrial and commercial enterprises, could be honestly relieved of their burdens, would release an immense amount of energy, ability, and enterprise now embarrassed and tied up, and bring into operation forces which are necessary to the restoration of business prosperity. But it appears, if we are going to have any legislation of this kind, we must keep urging it with all our might upon our representatives in Congress, particularly in the Senate, giving them no peace until the work is done, and no escape from conscious obligation to the public. The Nicaragua Canal, the arbitration treaty, and a lot of other things that are allowed to consume time, are of very little consequence to the people of this country compared with such practical business measures as a general bankruptcy law. (The Minneapolis Journal, Minnesota.)

TORREY BANKRUPTCY LAW.

What is known as the Torrey bill, providing for a uniform system of bankruptcy, is before the United States Senate. The bill successfully passed the House during the first session, and was referred to the Senate Judiciary Committee. At the hands of the Senate Judiciary Committee the original measure suffered somewhat, as a majority substitute was reported providing only for voluntary bankruptcy, while the original bill covered both voluntary and involuntary bankruptcy. However, both

measures are under consideration by the Senate, and the friends of each are confident of success. Yet the existing factionalism may retard the passage of the measure, which is generally regarded as one of vital importance to the business interests of the country. From the hearty indorsements given the Torrey bill by the most prominent commercial bodies of the country and from the numerous petitions sent to Congress by business men who represent both the creditor and debtor classes, it is evident that speedy action should be taken, and that the enactment of the original measure which provides for both voluntary and involuntary bankruptcy will best protect the interests of the whole people. (The Enterprise, Omaha, Nebr.)

CHAMBER OF COMMERCE, NEW ORLEANS, LA.

Mr. C. S. Kellogg made a talk on the Torrey bankruptcy bill, and then presented the following resolutions, which were adopted:

Whereas the bankruptcy bill has passed the House of Representatives, and will be called up in the Senate:

Resolved, That the Chamber of Commerce and Industry of Louisiana reiterates its former and repeated opinion that the enactment by Congress of the Torrey bankruptcy bill at an early date is needed by the great commercial interests of the country, and would result in the enforcement of equitable rights of debtors and creditors in transactions on credit.

Second. That this chamber respectfully request the Senators in Congress from the State of Louisiana to take an active interest in aiding the passage of the Torrey bankruptcy bill, and that a copy of these resolutions be forwarded by the secretary of this chamber to Hon. Don Caffery and Hon. N. C. Blanchard; also a copy to Hon. George F. Hoar, of the Judiciary Committee of the Senate.

"WESTERN BANKER" AND TORREY BILL.

To the Editor of the Press.

SIR: It occurs to me that there is a flaw in the argument of the Western banker from whose letter you quote in the editorial to-day upon the "Torrey bankruptcy bill." He asserts that the profits to the wholesale merchant at the end of a year would be 45 per cent upon three bills at an average profit of 15 per cent each.

Supposing the bills to be \$100 each, the total amount of the sale would be, of course, \$300, and the profit of \$15 on each bill amounts to a gross profit of \$45. Forty-five dollars profit on sales of \$300 is 15 per cent, and not 45 per cent. Furthermore, if the merchant failed at the end of the first year, the result—providing he repaid the bank loan with interest and paid the wholesale merchant the first two bills in full—would be as follows: Bank loan, \$100, repaid in full with interest; net profit to bank, \$10. Wholesale merchant, three bills at \$100, gross sales, \$300; profit, \$45. Received payment for two bills, \$200; gross loss on third bill, \$100, less gross profit, \$45, making net loss on the year's business of \$55.

I think the latter supposition but fair, inasmuch as the Western merchant, if he failed under present conditions, would undoubtedly pay the bank in full and let the other creditor suffer.

WILLIAM S. PORTER.

SUMMIT, N. J., January 26.

There is no end to the "flaws" in the "argument of the Western banker." Judge Torrey found a dozen in answering his letter when it was written. What kind of "banker," for instance, is one who lends money without other security than an underhand promise to rob other creditors by a "preference"? But we desired to present the letter, flaws and all, as a curious type of banking morality and perspicuity.

The theory of banking is that it shall foster trade by providing capital in judicious loans to be repaid out of the profits of the prosperous business which these advances enable merchants to conduct. And this is undoubtedly the practice of banking in general. It thrives by the prosperity of trade. It withers in the decay of trade. But this man's reasoning, shared too often, we fear, by money lenders in remote sections, is that business is the prey of banking. He appears to look to failure as a source of revenue. He assumes that the retailer's business is spoil, certain ultimately to be divided between the banker and the wholesaler, and he sets out to show that the banker should have the lion's share. Hence comes his remarkable theory of the division of assets, not according to the amount of debt, but according

to the percentage of profit in the creation of debt. The creditor whose profit has been least, in his theory, is to take all the debtor's possessions. Hence he makes the misstatement of the wholesaler's profits which our correspondent has detected. The theory of the law of all countries and times is that all creditors should take pro rata, bearing the loss equally.

The reason of this difference is quite clear. The law's theory is that a failure in business is an unexpected source of loss to all creditors, to be charged to the bad-debt estimate of all financial and commercial concerns which extend credit and offset by the profits of the preponderant number of good accounts. The money lender's theory is that a failure is a due and expected source of profit to his own class of creditors which should not be invaded by other classes. It is upon his theory that the Senate has been working in its consideration of the Torrey bankruptcy bill. (New York Press.)

BANKRUPTCY LEGISLATION.

WASHINGTON, *January 24.*

The friends of bankruptcy legislation, in and out of Congress, are looking forward with interest to the commencement of the discussion upon that subject in the Senate to-morrow at 2 o'clock. It is the special order for that hour, subject only to the then pending bill and appropriation bill.

The outlook is much brighter now than ever before for securing action. Heretofore those who have opposed legislation upon that subject have been very determined and were willing to go to almost any length in obstruction tactics, but now the conditions have changed. Senator George, of Mississippi, always a determined foe of the complete constitutional system of bankruptcy legislation, and the chief advocate in the Senate of the Bailey bill, as modified, sends word from his sick bed in the Garfield Hospital that he hopes the Senate will proceed with the discussion notwithstanding his absence. Senator Teller, who has been acting with Senator George, telegraphs from Denver that he hopes the discussion will be begun as per the special order and expresses only the wish that he be given an opportunity to speak on the subject before the vote is taken.

Many of the Senators have been investigating the subject since a date has been set for its consideration as they never have before. Quite a number of them find that the pending bills are different from what they had been led to believe they were. One Senator is known to have said that he had thought it would be all right to have the State courts administer the estate and the Federal courts to grant the discharge, but upon investigation he believes it would be costly and impractical, as well as unconstitutional.

Another Senator, and one, too, whose opinions are always in demand, said yesterday to a friend:

"I have heard a great deal about the drastic features of the Torrey bill, but I find it all a mistake. That measure is more considerate of the rights, both of debtors and creditors, than any law we have ever had in force."

The majority of the Senate Judiciary Committee reported at the last session the Torrey bill as passed by the House, with every word of it stricken out, and the Bailey bill, as modified, as a substitute for it. On Friday, Senator Hoar, in the absence of Senator Mitchell, of Oregon, and for him, submitted to the Senate and had printed, as coming from the minority of the committee, the House bill, with various amendments. The amendments are directed chiefly to reversing certain modifications made in the House, and do not in any sense modify the general effect of the bill. A few of them are made in response to pertinent objections urged to certain details of the bill during the debate in the House. The acts of bankruptcy involving fraud were somewhat modified in the House. Senator Mitchell and his sympathizers found that there was no occasion to make fraud any easier, and so struck out these House amendments.

The bill, as presented to the House, provided that three creditors should join in the petition when there were twelve or more, and when less than that number one creditor might file the petition. The House changed this provision, and provided that in each case there should be three petitioners, forgetting, as it seems, that in those cases in which there are but a few creditors that a tricky debtor might pay off all but two and then laugh at them. An amendment proposed is to restore the original provision. The House inserted a provision that in each case a bond should be given by the plaintiff, without considering in the hurry of debate that under the bill a defendant is exactly on the same footing as a defendant in any other case, and hence there is no occasion to impose any unusual hardships or restriction on petitioners who wish to secure their equitable rights under the bill. In the deliberate consideration of the committee this House amendment was omitted.

The Senate committee also made more explicit the provisions relating to partnership estates, the jurisdiction of bankruptcy courts, the reference of cases, the certifying of evidence to courts, and the sale of perishable property. They are all friendly in character and of some consequence, although they do not go to the extent of omitting from or inserting in the bill a single paragraph.—Globe-Democrat special, Commercial Herald, Vicksburg, Miss.

THE TORREY BANKRUPT BILL.

One of the great needs of the country is a uniform national bankrupt law, a law that will insure full justice to both debtor and creditor. Such a law should have been enacted years ago, and would have been had Congress not neglected its duty. The probability now is that such a law will be passed at the present session of Congress, the Senate having made the bankruptcy bill a special order. The bill prepared by Mr. Jay L. Torrey, and which has been twice passed by the House of Representatives, has been considered and very generally indorsed throughout the country, and in so far as we can determine its merits, its provisions are such as to do justice to all concerned. Since the repeal of the last national bankruptcy law, in 1878, the need of a better one has continually manifested itself. The San Francisco Examiner, one of the ablest papers in the country, strongly urges the adoption of the Torrey bill, and adds:

“The enormous volume of interstate commerce pours across the imaginary lines that separate the States, and finds itself fretted and obstructed by forty-four different codes of laws on perhaps the most vital matter in the whole domain of trade, the relation of commercial debtors and creditors.

“The objects of a national bankruptcy law would be to diminish the number of failures, to prevent the sacrifice of assets, to suppress fraudulent insolvencies, to give trade a solid basis of confidence, to give all creditors equal opportunities, to establish a uniform system of collections, to facilitate prompt and economical settlements between creditors and crippled debtors, to prevent oppression, to secure an accurate knowledge of the affairs of bankrupts, and to relieve honest debtors of obligations which they cannot pay, but which keep them from getting upon their feet for a fresh start.

“The Torrey bill, now pending in Congress, secures all these objects. It is pronounced by experts to be the most perfect bill ever prepared on the subject. It carefully guards the rights both of debtor or creditor.” (The Daily Sun, Gainesville, Fla.)

ACTUALLY NEEDED.

There never before was a time when the people of this country actually needed a good national bankruptcy law so much as they do at this time. There never has been so many honest but unfortunate business men in this country as now. There never has been so much injustice among creditors, the more conscienceless getting all and the more merciful nothing of an unfortunate business man's estate as now. Congress ought to have enacted a good bankruptcy law several years ago. We have read the Torrey bill carefully and conclude that its provisions could not be materially improved. It seems just to both debtor and creditor, expeditious and inexpensive, and just in dealing with rogues who are apparently the only class who might find their business interfered with. We hope the Colorado Representatives in Congress will lend their aid in making the Torrey bill a law and in doing it with the least possible delay. (The Daily Advertiser, Trinidad, Colo.)

THE BANKRUPTCY BILL.

There is a general hope on the part of business men everywhere that, before the present session of Congress closes, some satisfactory Federal law to secure uniform practice in the matter of bankruptcy cases will have been enacted. Efforts have been made, especially during the past five years, to secure the passage of some law of this kind, the measure which has been most generally favored being the so-called “Torrey bill.” Up to the present time all such efforts have been unsuccessful because of opposition in the Senate.

This opposition has apparently arisen either through a misunderstanding of the actual provisions of the bill, or through some objection to minor details which could not be fairly considered of much importance.

An attempt has been made to do away with all provisions of lesser importance that were likely to excite strong opposition, and in its amended form the Torrey bill is represented as being the best possible legislation which can be offered to Congress with a reasonable expectation of its acceptance.

That some such legislation would be of benefit to the great majority of honest business men is generally asserted by those who should be in position to speak with some degree of authority in this connection. It is claimed that under the present system of practice the different State laws are so diverse and conflicting in their methods of treatment of bankrupt persons or firms that it is rarely that justice is done to all parties concerned. Too often, indeed, an absolute premium is put upon dishonesty, and that very fact tends to clog the wheels of business and to interfere with the operations of interstate trade. As matters now stand, the honest bankrupt is cruelly and unjustly treated in too many cases, while the dishonest bankrupt can snap his fingers at his victims.

Confidence is the very basis of modern trade. The less the amount of confidence, the more difficult it is for an honest man to do business outside of his own State; and when such conditions rule, the consumer of all kinds of goods generally suffers for the benefit of rogues. Merchants, in order to protect themselves, are obliged to increase their margin of profit in wholesale transactions, knowing beforehand that they will suffer from roguery. The honest dealer and his retail customers are forced to pay not only a fair profit on their own transactions, but to offset the loss which accrues through the dishonesty of others.

As to the Torrey bill itself, the provisions of that measure were outlined sometime ago in the memorial of the Boston Merchants' Association to Congress. In that memorial it was shown that the total number of failures would be materially lessened, the number of fraudulent failures reduced to a minimum, and creditors, with no unfair trouble or expense to themselves, would receive no more and no less than their just proportion of the bankrupt's assets. The solvent retail dealer would be protected from the competition of fraudulent firms and from the demoralization of frequent and unnecessary bankrupt sales.

At the same time the business man who is only temporarily embarrassed would be forced into insolvency far less frequently than now happens, as no mercantile creditor would have an advantage over another, and it would therefore be to the interest of all creditors to continue an honest man in business. The man who is hopelessly insolvent, on the other hand, would still have all the exemption now given under the laws of his State, and when his affairs were quickly settled up, he would have a fair chance to begin business once again, as soon as his friends could furnish the capital.

The farmer and the wage earner are protected from being forced into insolvency, but may voluntarily go into bankruptcy in order to avoid running still deeper into debt. It is a noteworthy provision of the law that under the Torrey bill the small amounts which may be due to workmen, clerks, and servants, if earned within three months prior to the commencement of proceedings, become a preferred claim, which must be settled before any other claims are satisfied. In point of fact, therefore, the only one who is likely to suffer more under a Federal law than he now does under a State law, is the dishonest debtor, and he can not expect much sympathy from the public in any event.

There is every reason to believe that if the Torrey bankruptcy bill should become a law the number of failures in the United States would be reduced in a startling way, and that the amount of actual losses through such failures would be cut down from 25 per cent to 50 per cent below the figures for recent years. At the same time the amount of business in the United States would probably be increased as a direct result of this law, and the people of the West and South would find that their sections had been especially benefited in a mercantile way.

In view of all these facts it is difficult to understand why there should be any question as to the enactment of the bill during the present session of Congress. There probably would not be so much doubt on this point if the issues were clearly understood; but the one great obstacle in the path of those who have striven to secure the passage of this measure is that Senators who have opposed the bill have done so largely because they have not understood its real character or the results which would be likely to follow its enactment. (Boston (Mass.) Daily Advertiser.)

THE TORREY BANKRUPT BILL.

The Senate has made the bankruptcy bill a special order and no doubt a bill will be passed before adjournment. In the enactment of this particular law, great care should be taken to favorably consider a bill that has already stood the test of the most critical examination by the majority of commercial, industrial, and professional

bodies, throughout the country—we mean the Torrey bankrupt bill. There can be no opposition to this measure that has not its basis in selfishness. It is a completely equitable, carefully devised, system of, voluntary and involuntary, bankruptcy, including all of the good and none of the bad features of all prior legislation. It is our judgment the Bailey-George bill is wrong in principle and incomplete in its provisions. Hastily acting upon such a law as this would be wrong and to solve the problem of permanency the Torrey bill will prove to be preeminently above all of the others. By passing this measure the Senate will do the whole country a substantial service. (Clipper, Lander, Wyo.)

A BANKRUPTCY LAW.

Not having investigated fully either side, but looking at it in a general way, we are inclined to go with the Commercial Herald in a conservative stand and advocate a bill, equitable and just alike to debtor and creditor. If a debtor has the right to file his petition in bankruptcy in case of insolvency the creditor ought certainly to have the right to compel proceedings under certain circumstances. Of course there should be guards against oppression of the debtor, but at the same time there should be guards against fraud, and the creditor should have the right to proceed against it and before it.

Besides, The News has always been very outspoken on the question of class legislation, and can not at all go back on our record, although that record may have been directed mostly in favor of the masses. Then the necessity for some kind of a bankrupt law is so urgent that we feel it to be no time to stickle too much over it. Whatever law the Senate and House could agree upon would afford a great measure of relief, and hundreds of our best people need that relief.

It would be impossible to estimate the amount of energy, enterprise, and good business talent that is put up as a result of this protracted panic, burdened down with debt that it will be utterly impossible for them to rise under, and it is no benefit to their creditors and no satisfaction to keep them so. A door should be opened for equitable relief, and the News feels that it reflects the sentiments of the people by advancing it. Really the simple name of a bankrupt law is about all there is of it anyway, no matter what the provisions, as it is simply a standing arbiter between debtor and creditor and more of a menace to the creditor than otherwise. And the workings of the old law it is easy to recall the dread of it by the creditor, and it is well remembered that almost any kind of settlement was preferable to him to a bankrupt court.

The same would be the effect now, and where any effort was made toward a settlement, very few would need to seek the protection of the law.—Meridian News. (Daily Commercial Herald, Vicksburg, Miss.)

PERPETUALLY NEEDED.

The Torrey bankruptcy bill is now before Congress, and must soon come to final hearing. It seems to us that the time has come for a good, sound, honest, equitable bankrupt law. No commercial nation should be without a law of this kind, because it is perpetually needed. There always has been, and there always will be, failures in business, and it is perfectly clear that there should be some kind of protection for the creditors which does not exist at present, and at the same time there should be relief extended to the honest debtor, so that he should not be bound for life by debts that he can not pay, and thus be debarred from further effort for the support of himself and family. We could elaborate on this question, but we feel certain that all right-minded merchants and dealers will hail with joy a proper bankrupt law honestly administered. (The Daily Leader, Eau Claire, Wis.)

ENACT THE TORREY BILL.

The Torrey bankrupt bill was passed by the House of Representatives at the last session and is now before the Senate. Heretofore the controversy has been as to whether or not Congress should enact a bankruptcy law as provided by the Constitution, but the question now seems to be whether or not there shall be enacted a complete, equitable, voluntary, and involuntary law (the Torrey bill) or the bill introduced by Congressman Bailey, of Texas. Mr. Bailey's bill is a temporary bill, and its provisions do not, it seems to us, reach the root of the crying requirements of a thoroughgoing bankruptcy bill.

Many conservative Americans believe the passage of the Bailey bill would be detrimental to the best interests of the debtors and creditors of the country at large, and we incline to their way of thinking. Boards of trade all over the country indorse the Torrey bill. Merchants and bankers, as well as farmers and manufacturers, urge its passage. Its enactment would, it is confidently believed, relieve the situation at once, and its honest administration will benefit the whole people. There is no politics in the question, and there should be none. A distinguished Western jurist, who was in Newport last summer, is our authority for the statement that the feeling of disquiet and unrest which prevails throughout the West, especially among the agriculturists, would certainly be largely allayed by the passage of a just and general bankruptcy bill—such a bill, for instance, we believe as the Torrey bill. State bankruptcy bills have failed to reach the root of the evil—that is, have failed to work satisfactorily and have conflicted with each other; for the insolvency proceedings in every State are different. A national uniform law is needed.

Under the present variant arrangement many dishonest men go into business to make bogus failures. This sort of business will be largely, if not altogether, stopped under the terms of the proposed law. Indeed, it is the consensus of opinion among business men everywhere that the sooner the Torrey bill is enacted the better it will be for the business interests of the nation. Congress has been trying for more than twelve years to pass such a measure as this bill. It should do it now, because this bill's fairness to debtors and creditors and its prompt method of settling insolvent estates at the least cost are as pronounced as necessary. The errors of former general bankruptcy laws have been avoided in the provisions of the Torrey bill. Because the three former national bankruptcy laws did not work very satisfactory, it is no reason why the present measure, constructed on the experience of nearly a century, will not meet the national necessity. The best test of its practical and impartial character is the wide indorsement it has received from the business community.

Under our present system of imperfect and conflicting State laws in insolvency justice to all concerned is rarely obtained, while hardships and injustice abound. Upon the first suspicion of the financial embarrassment of even an honest debtor there begins a "race of diligence among creditors," and in the scramble that ensues the debtor's property is scattered or expended in costs, and he is left helpless and hopelessly encumbered with a load of debt from which no present law can entirely free him. On the other hand, fraudulent failures, many of which are rank swindles involving large losses, occur with a frequency but too well known to all credit givers. To remedy these evils and to provide one uniform law for the whole country, the Torrey bill was drafted. As a protection to the just credit and relief of the honest insolvent debtor, it is generally conceded by thoughtful men in all parts of the country to be as nearly perfect as human wisdom and experience can make it.

Under its provisions anyone may go voluntarily into insolvency, and if honest be relieved from the debts his estate will not satisfy. Creditors may proceed in bankruptcy against a dishonest or insolvent debtor who has made a protracted default in payments due, or manifested his inability or unwillingness to prevent his estate from being absorbed by certain creditors to the detriment of others of equal rights. Farmers and wage earners can not be proceeded against in bankruptcy, but may go voluntarily into bankruptcy. Proceedings will be instituted only under careful restrictions, and the adjudication will be made, if at all, only after a fair trial and before a jury, if desired.

The bill has passed the House and has been favorably reported by the Senate Judiciary Committee. The Senate should certainly make it a point to pass this bill before final adjournment. Failure to do so would be generally regarded by business men as little less than a national misfortune. (Newport Herald, Rhode Island.)

THE BANKRUPTCY LAW.

All over this broad land, in cities and in the country, there are many thousands of insolvent debtors, whose property is all gone under the sheriff's hammer, but who are weighed down with obligations and judgments in excess of their assets, which make it impossible for them to go into any kind of business and begin a new career of usefulness and activity. State laws can afford no relief against creditors in other States, and they are utterly powerless to move under the burden which crushes them. We have abolished laws for the imprisonment of insolvent debtors and have congratulated ourselves that we had made great progress over the barbarous methods of two or three generations ago in our treatment of insolvents. But as a matter of fact they are as effectually imprisoned—and imprisoned for life—within the walls of the statutory impasse, to which they are doomed by the impotency of existing laws, as if they were confined in the guarded walls of the jail. There is no power but the

Congress of the United States, and no key but a uniform national bankruptcy law, such as the Constitution provides for, which can unlock the doors of this vast debtors' prison and let its wretched inmates free to begin life anew.

And from every part of this broad land for eight or ten years the cry has gone up to Congress from these tens of thousands of insolvent debtors for release from the chains which enthrall and paralyze them. The collapse of real-estate speculation in all the Western cities left a multitude of men hopelessly bankrupt. The panic of 1893 and the years of depression which have since followed have strewn every city in the country with the wrecks of business houses and private fortunes. The need of a uniform national bankrupt law has never been so severely felt as in the last six or seven years, and the need of it has grown more pressing and more severe with every year since 1890, until now the demand has become universal on the part of both creditors and debtors.

Yielding to this popular demand, the House in May last passed a modification of the Torrey bill, which provided for both the involuntary and voluntary forms of bankruptcy. In place of it the majority of the Senate committee recommended what is known as the George bill and the minority the modified Torrey bill as it passed the House, with some amendments intended to remove the objections to the provisions for the benefit of creditors. Both the Minnesota Senators are urgently in favor of the passage of a bankruptcy bill this session.

We believe that the Torrey bill as modified in the Senate is generally favored in this State and throughout the Northwest, being generally acceptable alike to insolvent debtors and to all lenient and considerate creditors. But while it is for the benefit of the hopelessly involved and embarrassed but honest debtors that relief is sought in a national bankruptcy law, they do not ask a law which shall not carefully protect the just and reasonable rights and interests of creditors. What is wanted and what the bills before the Senate provide for is a law which will enable the victims of misfortune to give up all they possess—except such reasonable exemptions as State laws provide for—and having thus done the best they can in settlement of claims they can not pay, to be delivered from the pursuing shadow of remorseless creditors and pursuing sheriffs, and to be able to start anew in business with a clean sheet. Thus relieved from the burdens which crush him, the honest debtor, if he should again be successful in business, would deem it a point of honor to pay, if he could, the debts from which he had been legally discharged. No man can ever acquire the credit or capital for a new business career who does not deal honestly with his creditors, and the benefits of voluntary bankruptcy are intended for, as they can only be realized by, this class alone.

The gratifying information is received from our correspondent that one or the other of the bankruptcy bills now before the Senate is likely to pass that body in time for the favorable action which the House is understood to be ready to take upon either. Both our Senators are doing what they can to get the bankruptcy bill before the Senate. Senator Davis made an effort yesterday to hurry up action on the Nicaragua bill and to give the bankruptcy bill the right of way so soon as this shall be disposed of.

The people of Minnesota and the Northwest are intensely impatient for the passage of such a bill, and they are not very particular which, so that it affords the relief required. The prosperity which, with the passage of a wise tariff bill, is awaited with sanguine confidence will come in vain to multitudes of the victims of the past four or five years of unexampled depression, if it shall not come with the boon of emancipation from the consequences of past misfortunes which is promised in a uniform national bankruptcy law. (The St. Paul (Minn.) Pioneer Press.)

EQUITABLE PROTECTION.

MARCH 2, 1897.—Referred to the Committee on Finance and ordered to be printed.

Mr. CANNON presented the following

MEMORIAL OF THE NATIONAL EQUITABLE PROTECTION ASSOCIATION OF THE UNITED STATES AND OF THE STATE GRANGES OF PENNSYLVANIA AND VIRGINIA IN FAVOR OF EQUITABLE PROTECTION.

To the Honorable Senate of the United States:

Your memorialists, representing the National Equitable Protection Association of the United States (an organization composed of representatives of farmers' organizations in ten States of the Union), and also officially representing the State granges of Pennsylvania and Virginia, most respectfully urge upon your honorable body the necessity and importance of providing an equitable adjustment of the protective system, so as to place American agriculture and shipping foreign trade upon an equality with the protected industries.

In support of this measure we submit herewith papers by David Lubin, of California; by Leonard Rhone, master of the Pennsylvania State Grange, and Alex. J. Wedderburn, master of Virginia State Grange.

Respectfully submitted.

LEONARD RHONE,
*Master Pennsylvania State Grange, Patrons of Husbandry, and
President National Equitable Protection Association.*

ALEX. J. WEDDERBURN,
*Master Virginia State Grange, Patrons of Husbandry, and
Secretary National Equitable Protection Association.*

ARGUMENT OF MR. DAVID LUBIN.

Your memorialist, a citizen of Sacramento, Cal. (temporarily residing at 1722 North Eighth street, Philadelphia, Pa.), would respectfully refer to House bill 2626, and present the reasons herein set forth in support of "equitable protection" for the producers of staple agricultural products, a part of which are exports.

The Johnson bill is a measure for the protection in the home market of the staples of agriculture and also for the protection of the American merchant marine in the foreign trade, and reads as follows:

[H. R. 2626, Fifty-fourth Congress, first session.]

A BILL for the protection of agricultural staples and American ships in the foreign trade by authorizing the payment of bounties on exports of agricultural products of the United States, conditioned on their carriage in American or foreign vessels.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on the passage of this act, and after the lapse of fifteen months, there shall be paid, out of any moneys in the Treasury of the United States not otherwise appropriated, to any exporter of wheat or wheat flour, rye or rye flour, corn, ground or unground, cotton, hops, or tobacco, produced wholly in the United States and exported by sea from any port in the United States to any port of a foreign nation, certain sums, to wit: Ten cents per bushel on wheat; fifty cents per barrel on wheat flour; ten cents per bushel on rye; fifty cents per barrel on rye flour; five cents per bushel on corn; seven cents per cental on corn, ground; one cent per pound on cotton; two cents per pound on hops; two cents per pound on tobacco.

SEC. 2. That if any article named in section one of this act shall be exported in American vessels, the corresponding bounty on such export as designated in said section shall be increased by ten per centum over the sum therein provided.

SEC. 3. That all payments of bounty under this act shall be made upon negotiable vouchers, payable in thirty days from date, issued by the collector of customs at the port of clearances and directed to the Treasurer of the United States; and the Secretary of the Treasury is hereby charged with making and enforcing the regulations necessary for the protection of the Government in administering this law.

SEC. 4. That the President of the United States is hereby directed to notify all foreign nations of the desire of this Government to abrogate any treaty provision in contravention with this act.

In the hearings before the Ways and Means Committee credentials were submitted showing that the proposition embodied in this bill had received the indorsement of a very large body of farmers in various sections of the Union, more especially in the West and South. Not only this, but that indorsements were received from boards of trade, chambers of commerce, and farmers' meetings in the various sections of the Union.

We ask the enactment of this bill into a law on the ground of justice and on the ground of expediency.

An historical review of the protective system in the United States will show that originally protection was intended as a means in aiding the establishment of manufactures, and was intended as a temporary measure. At this time the idea has taken a new turn—a wider range; it is not intended merely as a temporary aid for the upbuilding of manufacture, but as a permanent means for the protection of American capital and labor against the competition of that from foreign countries. As our protection system is, however, limited to a tariff on imports it necessarily leaves unprotected the staples of agriculture, because a great portion of these are exports, and it is a well-known fact that while manufactures are sold at local prices higher in one country than in another, on the other hand the entire product of the staples of agriculture, whenever there is a surplus, is sold at international prices; and selling the surplus as we do at international prices compels us to sell the greater quantity for home use at the same price, for the export and home price is always the same.

We can thus see that there can be no direct protection to the staples of agriculture so long as a portion of these are exports. Some protectionists deny this, but they have neither fact nor logic to substantiate their denial. Other protectionists frankly admit it to be true, but claim indirect protection by reason of an enhanced wage rate which protection affords to manufacture.

A careful analysis of this view will show that it is not alone useless as a protective measure to the American farmers, but it is, besides, in the event of its operation, an injury; for if prices are indirectly enhanced, it is the world's prices which are thus enhanced, and any protective system in our country which tends to enhance the price of agricultural staples in Argentina, Russia, India, North Africa, and other cheap land and labor countries must tend to the expansion of production in those countries to the detriment of production of the same products in our own country. We must therefore conclude that protection limited to a tariff on imports is no benefit directly or indirectly to the American farmer. Some protectionists even go so far as to admit this conclusion, and regret that a tariff on imports can not protect the staples of agriculture, but, say they, is that any reason why we should not protect manufacture, if that protection can be had by a tariff on imports?

It is certainly a wrong for the Government to confer a benefit upon one body of its citizens only; but a one-sided protection system is more than a wrong, it is an injury. For to protect one industry and leave another unprotected is not merely to bestow a privilege upon one, but it is, besides, heaping a burden upon the other. For if the unprotected must sell its products at home and abroad at the world's free-trade prices and be compelled to pay the enhanced prices which protection affords the protected industries, it must necessarily pay for the costs of the protection system.

There could have been no serious objection to such a system at a time when it was intended as an aid to the upbuilding of manufacture; at a time when agriculture was rich and strong in world advantages, in its advantages of cheap land and exclusive use of machinery; but to-day these advantages are gone and are possessed by cheap land and labor countries of the world, and it will be shown further on that a continuation of a perpetual system of protection, which in its operation leaves the staples of agriculture unprotected, must result in the decay and destruction of the Republic.

Let us briefly review the opinions of the early statesmen on the protection system, in so far as it affected agriculture, at a time when protection was demanded as a temporary measure. Albert Gallatin, in a memorial dated 1831, says:

A Government which acknowledges the principle that no individual can be divested of his property for public purposes without indemnity can not claim the right to do that indirectly which it is forbidden to do directly. A system calculated to lay permanent burdens greatly unequal and oppressive on some classes of society, or on a particular section of the country, would be radically unjust and altogether indefensible.

In a country which always raises what is the equivalent of 1,500,000 barrels of breadstuffs beyond its own consumption, the price depends on the proportion between that supply and the foreign demand; and that demand will continue to govern the price of the home market whatever may be the increase of the domestic consumption, so long as such an excess beyond that of consumption shall continue to be raised.

As the greatest consumers they (the agriculturists) must not only pay a greater share of the duties requisite to defray the necessary national expenditure, but they are compelled to pay the enhanced prices occasioned by the protecting system. That system can not be extended to them. They find in it no indemnity, no compensation for the injury which it inflicts upon them.

The true problem to be solved in the United States is not whether the people can govern themselves, of which not the slightest doubt can be entertained, but whether that government can be successfully applied to an extensive territory embracing interests which must occasionally be in collision with each other; whether majorities formed by combinations of sectional interests will be so governed by a sense of justice and a spirit of conciliation as not to oppress those parts of the country whose rights, though they may be in a minority, ought nevertheless to be respected.

Quotations from the report of Secretary of the Treasury Robert J. Walker, 1845, are as follows:

At least two-thirds of the taxes imposed by the present tariff are paid, not into the Treasury, but to the protected classes. The revenue from imports last year exceeded \$27,000,000. This in itself is a heavy tax, but the whole tax imposed upon the people by the present tariff is not less than \$81,000,000, of which \$27,000,000 are paid to the Government upon the imports and \$54,000,000 to the protected classes in enhanced prices of similar domestic articles. This estimate is based upon the position that the duty is added to the price of the imports and also of its domestic rival. If the import is enhanced in price by the duty, so must be the domestic rival; for, being like articles, their price must be the same in the same market. The merchant advances in cash the duty on the import, and adds the duty with a profit upon it and other charges to the price, which must, therefore, be enhanced to that extent.

The tariff is a double benefit to the manufacturer and a double loss to the farmer and planter—a benefit to the former in nearly a monopoly of the home market and in enhanced prices of their fabrics, and a loss to the latter in the payment of those high prices.

From the speech of Daniel Webster we quote as follows:

A particular interest is here burdened, not only for the benefit of another particular interest, but burdened also beyond that, for the benefit of the Treasury.

It will thus be seen that former statesmen fully understood the operation of the protection system and its effects upon unprotected staples of agriculture. But as the measure was a temporary one, and at a time when conditions permitted the taxing of agriculture for the purpose of upbuilding manufacture, it could then, in spite of its seeming injustice, be deemed a measure of good policy. Now, however, when protection is demanded, not as a temporary, but as a permanent measure, such a policy is not alone questionable but highly injurious.

The primary industry of this nation is agriculture. The earnings of agriculture were sufficient in times past to pay for the protection of manufacture and still come out with a margin ahead. That time has now gone. The monopoly of prices for agricultural staples which obtained when the United States was the almost exclusive user of agricultural machinery has gone.

You see here before you about 20 pounds of catalogues and price lists of agricultural machinery factories in Europe. These European manufacturers of agricultural machinery turn out annually thousands of reapers, mowers, headers, binders, harvesters, drills, engines, and gang plows. The greater portion of this product is for export to the cheap land and labor countries of the world. Thousands of these agricultural machines are now at work in different parts of the world on lands and by labor much cheaper than ours, producing the same agricultural staples as we do, and determining the price which capital and labor engaged in agricultural pursuits in the United States must accept.

Page 267 in the official report of the Russian department of agriculture, Volume I, says: "The United States of America made Russia acquainted with their machines and began to export them into the Empire only since 1876."

Volume II, page 183, shows that between 1881 and 1890, 183,121 tons of agricultural machinery were imported into Russia.

On page 268 is the following:

In 1864 there were only 64 mechanical establishments; in 1870 there were 112. Later on their number increased. Thus, in 1871 there were 203; in 1879, 340; in 1885, 435; in 1892, 400. These data show that the building of farming machines developed as much as the different unfavorable conditions would permit.

From all this it may be seen that the catalogues and price lists of agricultural machinery by European manufacturers submitted here, though

large in numbers, do not by any means represent all the European manufacturers. And what do these signify? They signify that the American farmer is now handicapped by competition permanent in character and destructive in the highest degree of his power to obtain former and higher prices for his products at home and abroad. What more natural at this juncture than to grant this great industry protection, and if not protection, then the removal of destructive burdens of a one-sided protection system.

Some protectionists when presented with this view willingly assent to the proposition and say that agriculture ought certainly to be protected, but when asked how this should be done, they have but one uniform answer, that it be done by a tariff on imports.

In the face of the fact that a tariff on imports is no protection to the staples of agriculture so long as these are exports, and in the face of the fact that this has been repeatedly made known to these protectionists, their sincerity may be questioned as belonging to that order indicated in the song, "Hang your clothes on a hickory limb but don't go near the water."

Protection can be had for the staples of agriculture, but not by a tariff on imports. This can be had by a bounty on exports, which was clearly pointed out by Alexander Hamilton when he was Secretary of the Treasury in 1790:

As often as a duty upon foreign articles makes an addition to its price it causes an extra expense to the community for the benefit of the domestic manufacturers; a bounty does no more.

The true way to conciliate these two interests (agriculture and manufacture) is to pay a duty on foreign manufactures of the material the growth of which is desired to be encouraged, and to apply the produce of that duty by way of bounty.

There is a degree of prejudice against bounties from an appearance of giving away the public money without an immediate consideration and from the supposition that they serve to enrich particular classes at the expense of the community. But neither of these sources of dislike will bear a serious examination.

And this is theoretically assented to by Henry Clay in his speech before the House of Representatives in 1824, as follows:

If the promotion of these interests would not injuriously affect any other section, then everything should be done for them which would be done if it formed a distinct government. If they come into absolute collision with the interests of another section a reconciliation, if possible, should be attempted by mutual concession, so as to avoid a sacrifice of the prosperity of either to that of the other. In such a case all should not be done for one which would be done if it were separated and independent, but something; and in devising the measure, the good of each part and of the whole should be carefully consulted. This is the only mode by which we can preserve, in full vigor, the harmony of the whole Union.

And Daniel Webster, before the House of Representatives in 1824, says as follows:

Sir, that is the truest American policy which shall most usefully employ American capital and American labor and best sustain the whole population. With me it is a fundamental axiom—it is interwoven with all my opinions—that the great interests of the country are united and inseparable; that agriculture, commerce, and manufactures will prosper together, or languish together, and that all legislation is dangerous which proposes to benefit one of these without looking to consequences which may fall on the others.

It is true that a number of agricultural representatives have appeared before the Ways and Means Committee asking for an increase in the tariff on certain products of agriculture. Prominent among these were the wool men who desire, by protection, to increase the price of wool. What benefit would this be to the producer of wheat, cotton, tobacco, and hops but to make higher the price of the things made from wool, and thus increase the burden? There is no more right in equity to protect

wool than there is to protect wheat or cotton. Up to within recent times a large body of farmers, mainly in the East, producers of the nonstaples of agriculture, looked with disfavor upon this proposition, believing it to be a means of benefit limited in its scope only to the producer of staples, and which would fall as an indirect tax upon the producers of nonstaples of agriculture. Since then there has been a change of opinion.

The producers of nonstaples are finding out by a sad and costly experience that the condition which brings the production of the staples of agriculture at or below the profit point means a curtailment in the area of cultivation of staples and a great increase in the production of the nonstaples and their consequent decrease in price.

Professor Sering, of Berlin, pointed out that this was the principal cause of distress among the farmers of Germany, and how this law operates in the United States is evident from the following examples, which should be heeded by all farmers producing the nonstaples:

The Yearbook, United States Department of Agriculture, for 1895, page 531, contains the following object lesson:

In 1894 there was raised 170,787,338 bushels of potatoes, which brought \$91,526,787; in 1895 there was raised 297,237,370 bushels of potatoes, and which only brought \$78,984,901.

It will thus be seen that so long as the world's price of the staples of agriculture keep on declining or remain at an unprofitable margin line, then so long is it impossible to derive any benefit whatever from a tariff on imports of nonstaples. It is true that a protective tariff on the nonstaples may keep out European or Canadian nonstaples, but it is rendered absolutely inoperative by the increased competition to the East by the increased production of the nonstaples of the West and South, thus bringing all agricultural productions, whether of the staples or of the nonstaples, down to or below the profit point.

Such farmers as are not aware of the cause, who are not aware of the new economic world condition operating upon them, are still waiting for conditions to better themselves. And so are many protectionists in manufacturing centers waiting. They have some vague hope that things will right themselves of their own accord, that something will happen to put things straight, that commerce will regulate itself.

Under this head Henry Clay says the following:

Commerce will regulate itself! Yes, and the extravagance of a spendthrift heir who squanders the rich patrimony which has descended to him will regulate itself ultimately. But it will be a regulation which will exhibit him in the end safely confined within the walls of a jail. Commerce will regulate itself! But is it not the duty of wise Governments to watch its course, and beforehand to provide against even distant evils, by prudent legislation stimulating the industry of their own people and checking the policy of foreign powers as it operates upon them?

If things are to regulate themselves, and this without injustice, then such regulation may only be had by free trade. If protection is to be a factor in regulating, then that protection should be just and equitable; not a protection for manufacture at the expense of agriculture, but for the protection of American agriculture and manufacture against foreign manufacture and agriculture, and if one is to be protected by a tariff on imports, the other must be by a bounty on exports.

That this demand is not unjust or impracticable can be shown by the protection laws of other countries. There is not a progressive country in Europe which protects manufacture at the expense of agriculture. No, not one. In Hungary and France the exportation of flour, as well as the home market for the same, is protected by the export bounties

in the form of drawbacks. Germany, France, Austria, and Russia pay out millions of dollars annually in the form of export bounties on sugar. The United States is the only progressive country in the world which protects manufacture at the expense of agriculture. A continuation of this policy at a time when the world's price of agricultural staples is being fixed by the production of the cheap land and labor countries, and a continuation of protection in the United States, limited to a tariff on imports, and which can only protect manufacture at the expense of agriculture—such a continuation must tend toward the destruction of American agriculture and to the injury of the Republic.

Equity therefore demands protection for agriculture so long as protection is given to manufacture. Not a kind of protection in name only, but one in fact; a kind which will enhance the price of agriculture within the United States in its home market as surely as the protective tariff enhances the price in the home market of American manufacture. Nothing short of this will be equity, will be justice.

An appeal to justice, however, is not as readily assented to, as a rule, as one to expediency. The conservative protectionists of the country, while they may admit the justice of this proposition to themselves, are loath to advocate it, deeming it as out of their province. It is not nearly so much out of their province, however, as they believe it to be. The farmers of the nation, if they can not find relief on the lines of equity and justice, may seek it in other avenues and in unforeseen methods, which in their consequences may react with disaster upon the body politic. It took all the force and power of the two great national parties in the last campaign to guide the political outcome to its present issue. It is not always possible to unite these two parties upon one issue, and it is safer to trust to justice and equity in a free government than to trust to the possible combination of contending parties. Therefore it is not only just and equitable to give agriculture the same measure of protection which is accorded to manufacture, but it is highly expedient that this should be done.

Thoughtful farmers are at last beginning to comprehend the present peculiar condition of American agriculture.

On the one hand it is evident that there is to be a continuation of the protective system. This is made manifest by the character of the men elected for the coming Administration, by the preparation of the new tariff bill, and by the tendency of the general prevailing opinion on the subject.

On the other hand, the accelerated use of agricultural machinery in the cheap land and labor countries of the world must tend toward the minimum world's price for agricultural staples.

The area under cultivation in the cheap land and labor countries, while large, has by no means reached its limit; on the contrary, it has just begun. As an example, but a few provinces in Argentina are at present under cultivation, but the extent of Argentina is as great as 14 Nebraskas side by side, or about the same as that of all the Southern States.

Mr. William Turcke, the director of the Eckert Agricultural Machinery Factory, of Berlin, Germany, spends much of his time in Russia, in the disposition of agricultural machinery there. He stated at a conference in Berlin that vast tracts in southern as well as in eastern Russia, even beyond the Urals, are now under cultivation which formerly were uncultivated.

Volume V, from the Russian ministry of finance, the department of

trade and manufactures, of 1893, has this to say of Siberia and the Siberian railway:

The great Siberian railway, intersecting the whole of Siberia for a distance of 7,112 versts, embraces a very wide zone, which can not be taken at less than 100 versts on either side of the line, or about 1,500,000 square versts. This enormous area, which exceeds the whole extent of central Europe (Germany, Austria-Hungary, Holland, Belgium, and Denmark), lies in the mean geographical latitudes, and as regards climate and soil possesses all the qualities favorable to the development of agriculture, rural economy, and the industries connected with them.

It will be evident from all this that we are confronted by a condition which must receive most serious consideration, and which is not to be remedied by merely raising or maintaining the protective tariff. The remedy at this time is not in a protective system when that protective system is limited to a tariff on imports. The time has come when protection must be effectual for agriculture if it is to be effectual for manufacture. If it can not be made effectual for agriculture there should then be no protection for manufacture. To persist in the old-line policy under the new condition which has arisen would be to await destruction with impunity. To rail and scoff at this proposition may satisfy the vanity of partisans, but so long as their raillery and scoffing can not remove the conditions it is of no value as an economic factor.

Objections have been urged against the export-bounty proposition on the ground of its impracticability, but not a single one of these objections is valid. Historic evidences and undoubted authority have been submitted showing that an export bounty is just as effective as a means of protection for agriculture as is that for manufacture by a tariff on imports.

I herewith submit to this committee the objections offered on an export bounty and the answers to these objections. These are printed and have already been largely circulated, copies of which can be had free of charge by any one addressing David Lubin, 1722 North Eighth street, Philadelphia, Pa.

Let us now take up section 2 of the bill for our consideration, and which is intended as a measure of protection for shipping in the foreign trade.

It reads as follows:

That if any article named in section one of this act shall be exported in American vessels the corresponding bounty on such exports as designated in said section shall be increased by 10 per centum over the sum therein provided.

It would seem that the shipowners and shipbuilders of the Atlantic Coast are opposed to the above measure, and propose, instead, to have enacted a law which shall give them much more protection income than is possible by the adoption of the above section and seem to be united in an effort for the passage of what is known as the Elkins bill.

This bill lays a horizontal tax of 10 per cent more upon dutiable imports and a 10 per cent ad valorem tax upon undutiable imports if brought here in foreign ships, from which taxes imports in American ships will be exempt.

At first thought it would seem that the Elkins bill is a wise measure for the restoration of the American merchant marine, but a more careful consideration of it will show that it is neither wise nor just.

It is not wise, because it is a measure calculated to engender retaliation, and that chiefly by England.

Its advocates urge its adoption chiefly on the ground that it had at one time in the early history of this nation been in operation. They seem to forget that the reason why it was adopted was because England

at that time discriminated against our ships. They also seem to forget that we repealed this discriminating law just as soon as England did.

As England does not now discriminate against our ships, we have no reason on that score to discriminate against her. If we should discriminate against her now, would she not be likely to revive discrimination against us?

Jefferson, in advocacy of this measure in 1793, said: "Where a nation imposes high duties on our productions or prohibits them altogether, it may be proper for us to do the same by them." Does England impose a high duty on our productions? Does she impose any duty at all? Would Jefferson have advocated a discriminating duty against England at the time when he did were our present conditions existing in his time?

The following figures show the total exports for the past five years and the proportion exported to Great Britain:

Year.	Total exports.	To Great Britain.	Year.	Total exports.	To Great Britain.
1892	\$1, 036, 278, 148	\$499, 315, 332	1895	\$807, 538, 165	\$387, 125, 458
1893	847, 665, 194	421, 131, 551	1896	882, 606, 938	505, 741, 339
1894	892, 140, 572	431, 059, 267			

It will be seen that about one-half our total exports are to Great Britain, and that three-fourths of these are in the staples of agriculture. If England should retaliate, who would thereby receive the greater injury? Would it not be the American farmer? Most surely. Nor would England be the only country who would be likely to retaliate. That it is desirable to build up and foster the American merchant marine in the foreign trade, there can be no question, but that it is desirable to do this at the expense of the American farmer is questionable.

Henry Clay, in his speech in the House of Representatives, March 30, 1824, in referring to the shipping industry, said:

This great interest deserves every encouragement consistent with the paramount interest of agriculture. In the order of nature it is secondary to both agriculture and manufactures. Its business is the transportation of the production of these two superior branches of industry. It can not therefore be expected that they shall be molded or sacrificed to suit its purposes; but, on the contrary, navigation must accommodate itself to the actual state of agriculture and manufactures.

In substance, Mr. Charles H. Cramp, a leading shipbuilder of Philadelphia, expressed the same idea when he said at a public meeting of shipbuilders and shipowners:

I think that when we (the shipbuilders and shipowners) went to Congress and asked for a bounty for ourselves, we committed a grave error, and I am going to do what I can to repair it. There is not any mistake, gentlemen, that the foundation of everything that is good among us, the foundation of morality itself, and everything that is good in this country is due to agriculture.

Now, the difference between Mr. Clay and Mr. Cramp seems to be in this: That Mr. Clay was a great statesman and Mr. Cramp is a great shipbuilder. Mr. Clay having once taken a position that any measure calculated for the upbuilding of shipping at the expense of agriculture was an unstatesmanlike measure, he continued to adhere persistently in the direction of right statemanship. Now, while it is true that Mr. Cramp could key himself up to this pitch of true statesmanship, it is likewise true that his shipbuilding instincts soon overcame this tendency, for he seems now to be among the foremost supporters of the Elkins bill, which bill proposes to heap many advantages on shipbuilders and shipowners at the expense of the American farmer.

Seaboard, the official organ of the shipbuilders, in its issue of December 3, 1896, says of the Elkins bill:

The first effect of such a law, figuring on the basis of the imports of 1895, would be to increase the revenue by about \$60,000,000.

This \$60,000,000 would of course come from the increased duty of the 10 per cent additional laid upon imports, about one-half of which would be collected protectively, and which would fall as an unjust burden upon the producers of agricultural staples, and which the shipbuilders do not at all deny, but which they admitted freely, unanimously, and without reservation at a meeting in the Maritime Exchange, Philadelphia, July 30, 1895.

Apart from what has already been said, it must also be considered that the Elkins bill, while calculated to protect American shipping in the foreign trade, can only do so in some manner which will raise the income of shipbuilders and shipowners. And this by an increase in the present price for freight. An increase in the price of freight, especially of ocean freight to foreign countries, necessarily means a decrease in the price of exports of agricultural staples. And as the export and home price for these staples are the same, it must necessarily follow that any increase in the rate of ocean carriage must necessarily and correspondingly decrease the home price of all agricultural staples.

Thus it will be seen that the Elkins bill is unjust and calculated to seriously injure the agricultural interests of this nation. For this reason the farmers of this country must oppose this measure, but the bill we are now considering offers no such objections. On the contrary, it proposes to protect the staples of agriculture in the only way by which they can be protected and this only so long as manufactures are protected. It also proposes to protect American ships in the foreign trade, and while it does not propose to do this to the radical degree proposed by the shipbuilders, it yet proposes to do so to an extent sufficient for the upbuilding and maintenance of the merchant marine.

We, therefore, ask the enactment of the Johnson bill into a law, believing that its enactment would serve not alone the best interests of agriculture, but the best interests of the Republic. In the event of the failure of its enactment there is left for the American farmer but one alternative in obtaining that measure of justice and equity in protection which protection should give them, and that alternative is in absolute and unrestricted free trade.

Having been requested to do so, I will herewith give a statement illustrating the operation of protection by an export bounty, giving a partial list of the products to be protected, the cost of the same to the Government, and the amount of protection to the American farmer, based upon the production of 1895 as taken from the Statistical Abstract of the United States:

<i>Wheat.</i>			
Exports of wheat for 1896.....	bushels..	126, 443, 968	
10 cents per bushel, Government export bounty.....		\$12, 644, 396. 80	
Production of wheat, 1896.....	bushels..	467, 102, 947	
10 cents enhancement per bushel, or actual protection by the export-bounty system.....		\$46, 710, 294. 70	
<i>Cotton.</i>			
Exports of cotton for 1896.....	pounds..	2, 335, 226, 385	
1 cent per pound, Government export bounty.....		\$23, 352, 263. 85	
Production of cotton, 1896.....	pounds..	3, 592, 416, 851	
1 cent per pound enhancement, or actual protection by the export-bounty system.....		\$35, 924, 168. 51	

Corn.

Exports of corn for 1896.....	bushels..	101, 100, 375
5 cents per bushel, Government export bounty.....		\$5, 055, 018. 75
Production of corn, 1896.....	bushels..	1, 151, 138, 580
5 cents enhancement per bushel, or actual protection by the export-bounty system		\$57, 556, 929. 00

RECAPITULATION.

Cost to the Government for the protection by an export bounty on wheat, cotton, and corn.

Wheat.....	\$12, 644, 396. 80
Cotton.....	23, 352, 263. 85
Corn.....	5, 055, 018. 15

Total	41, 051, 679. 40
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Enhancement or protection by an export bounty to the producers of wheat, cotton, and corn.

Wheat.....	\$46, 710, 294. 70
Cotton.....	35, 924, 168. 51
Corn	57, 556, 929. 00

Total enhancement or actual protection in the home market to the American producers of wheat, cotton, and corn against the competition in the home market of the free-trade prices by the pauper-labor countries of the world.....	140, 191, 392. 21
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It is estimated that the additional amount necessary for the protection of shipping, hops, tobacco, dairy products, etc., will be about \$9,000,000; this, together with the \$41,000,000 above shown, will make a total of \$50,000,000 per annum as the cost to the Government for protection to agriculture by an export bounty.

It has been repeatedly asked where the money is to come from to pay this export bounty, especially at a time when the National Treasury has no surplus. It is contended by the advocates of this proposition that so far as this bounty is concerned there is ample and more than sufficient available. The money which is now collected, as an incident of protection to manufactures, justly and equitably belongs to the farmers of the nation, who pay for protection and receive none.

This was clearly seen to be the case by that able and honest protectionist, Alexander Hamilton, as well as by Henry Clay, quotations from whose speeches are given in this paper. The abolition of the protective tariff as a means for the protection of manufacture would do away with the claims for protection by an export bounty, but so long as moneys are received on imports for the protection of manufactures, these moneys, or a portion thereof, should be paid out primarily, not for Government expenses, but for export bounties to protect the staples of agriculture, and thus equalize protection by extending it to agriculture as well as to manufactures, protecting thereby the farmers and manufacturers in the United States against the farmers and manufacturers of foreign countries, and thus do away with the injustice of the present system, which protects the manufacturer at the expense of the farmer.

If, after what has now been said, the question is still asked, Where will we get additional revenue for Government expenses? the answer is clear. The report of the Treasury Department Statistics of Finance and Commerce, No. 2, for 1896 and 1897 shows the following: On page 252 it will be seen that for the past five years there was entered 54 per cent merchandise on the free list and 46 per cent was dutiable. If the Government received from \$150,000,000 to \$200,000,000 a year on the 46 per cent, why can it not collect as much as it requires on the 54 per cent now on the free list?

Respectfully submitted.

DAVID LUBIN,
Of Sacramento, Cal.

STATEMENT OF HON. LEONARD RHONE, MASTER OF THE PENNSYLVANIA STATE GRANGE, PATRONS OF HUSBANDRY.

In the revision of the tariff schedule now under consideration the objective points seem to be revenue and protection.

It may seem that these two are necessarily inseparable; that when we want revenue we must indirectly and necessarily have protection; and that when revenue is sought by taxing imports it can not be had without bringing protection. This is the prevailing opinion of a large body of people; and yet it is not true.

Of the \$800,000,000 imports a year about one-half now appears on the tariff schedule, and the other half is on the free list.

Every intelligent person knows, or can know, that so far as revenue is concerned—revenue to meet Government expenses—that this can more readily and surely be had by reversing the order of the schedule; by placing on the tariff schedule the articles now on the free list, and by placing on the free list the articles now on the tariff schedule.

This being the case, it may now properly be asked, Is it the object of the proposed tariff legislation to purely seek revenue, or is it the object to secure protection?

The reply may be that it will be the endeavor to so frame the new tariff bill as not alone to secure revenue, but incidentally protection likewise.

Such an answer, while ingenious, is not sincere. It seeks to cover the intention under a cloud, intending to indirectly convey the idea that protection is necessarily incidental to the getting of revenue for Government expenses.

It is as if these were to say we must have revenue for Government expenses. In order to get it, we must place imports on the tariff; and if doing so brings indirect protection, how can we help it?

To many this would seem candid, but the truth is that it is sophistry pure and simple.

Observe for 1896 there was imported dutiable \$390,769,561, but there was also imported \$368,897,523 which was admitted free of duty. Even a casual glance at the character of the articles on the tariff list and a comparison of these with the articles on the free list will show clearly that the primary object of the tariff is protection with incidental revenue.

Let us now ask, "Protection of what?" and the answer will no doubt promptly come, "Protection to American industries against the competition of the pauper labor of the world." Let us now further ask, "Is this protection to be special, for certain or special industries, or is it to be general and apply equally on all industries which need protection?" And the answer will no doubt be, that special protection would be class legislation, and pernicious; that the protective system aims to protect all American industries requiring same.

Very good; but pray tell us how a tariff on imports can protect the staples of agriculture so long as they are largely exports.

No one can be shamefaced enough to say that they can be protected directly by a tariff on imports so long as they are exports, and to say that it can protect them indirectly is to admit that protection by a tariff on imports in the United States indirectly enhances the world's prices of agricultural staples. For, as the export and home price of agricultural staples is the same, any enhancement of our prices necessarily means an enhancement of the world's prices. Of what value then is an indirect protection to agricultural staples in the United

States which indirectly enhances their prices in such competitive countries as Argentina, Russia, or India? Of no value; on the contrary, it but tends to increase competition and an ultimate lowering of the price below the American protective cost of production. Thus we see that protection in the United States when limited to a tariff on imports is a direct and an indirect injury primarily to the producers of agricultural staples, and when a decline becomes permanent for these it ultimately tends to lower below the profit point all agricultural production, whether staples or nonstaples.

The momentum given an object must expend itself before it come to rest, is a general law in mechanics, but this law does not seem to apply to our protection system. Originally designed to protect infant industries, which was to cease when they were no longer infants, has gained a momentum which seems to defy the laws of its causation.

There being no actual need for the further protection of infant industries, the cry has been changed to protection for American industries against the competition of the pauper labor of the world. And as the labor of the world is likely to remain "pauper" for an indefinite period, the protective system under this cry is likely to continue to an indefinite period.

The former or temporary protection system has then been given a tangent which has rendered the temporary a permanent or perpetual system.

Can we, then, safely permit this system to continue? By no means. What then; shall we abolish it and in its stead have free trade?

As a matter of fairness it would be but just to consider the subject from the point of view now held by a large number of voters who are of the opinion that protection should prevail; who hold that protection is politic and consistent with the economic and political welfare of this nation; who object not to protection, but to an unjust and one-sided protection; who object and protest against protection of manufacture so long as this is done at the expense of agriculture. These maintain that free trade would not alone lower our wage rate down to the European, but presently to the Asiatic level as well.

There is no sentiment in hooks and eyes or pants buttons or matches. Price, and price alone, determines who shall have the job of making them and at what wages they shall be made.

It is true that workingmen in our country are more skilled and have an advantage over those in Europe or Asia, but only so long as the European or Asiatic does his work by hand and our workingmen operate an almost automatic machine. But how does it stand when the machine is in the hands of the European and Asiatic. Who, then, under free trade, is entitled to the job? To say that free-trade England is not injured by this competition is not true. England is beginning to be injured in certain lines of manufactures by reason of the employment of machinery in cheap-labor countries. For example, she has lost the industry of jute bags, formerly made in Inverness and Dundee. This has now gone to India. She has lost the sale of 71 per cent of the cotton yarns, now made in Japan, formerly produced in England. Facts are at hand which make it safe to predict that the Asiatic will not alone supply his home needs in manufactures, but that in the near future the Asiatic surplus will find its way into Manchester unless kept out by protection.

Free trade had many weighty considerations in its favor during the time of Webster, Gallatin, and Cobden, but has it to-day?

Besides, the present social, political, and economical conditions of

other nations are such as to preclude any effort on our part toward a general level at this time. We must also take into consideration that the United States is not alone a political fact, but has likewise a political mission. The bent and genius of our institutions can best be directed under a policy of isolation which protection gives us.

It may also be said that free trade, by the development of our foreign commerce, would bring with it foreign tendencies and lead us in the tenor of England.

There are those who predict that under free trade our furnaces would be shut down, our looms would be idle, our factories closed, and our industries paralyzed.

There does not seem to be any just ground for such a prediction, for we have seen that a lowering of the protective tariff has caused a greater exportation of manufactures. It may be safer to predict that free trade would multiply labor and greatly increase production. Would this then not increase the wage rate? No; on the contrary, the free valuation by open competition of like productions by the cheap-labor countries and in the general employment of our machinery everywhere would level the wage rate to the world's general level. Wealth would increase in the hands of the few; wages would decline to the level of the world. Under such a condition the ideal standard of the Republic would soon become obsolete; would become a curiosity in the libraries. The Republic of the United States would then take rank with Carthage before the Punic wars. Commercialism will then have swallowed up patriotism, and thus end the national drama by our finally becoming what Carthage was after the second Punic war.

However, that which may properly be said in favor of protection applies only to a protection system which is just and equitable. As a temporary measure it may have been politic and expedient to protect manufacture at the expense of agriculture. When, however, protection for manufacture at the expense of agriculture is intended as a permanent condition, it is expedient to insist upon its cessation or for the adoption of that additional mode of protection which shall likewise effectually protect agriculture so long as manufactures are protected.

To do less than this at this time is to crush agriculture; for what can do this more effectually than lowering world's prices for agricultural staples on the one hand and the maintenance of high protection for manufactures on the other?

Protectionists insist that the continuation of the present protective system must in the near future bring us a return of prosperity which high protection once gave us. These forget to take into consideration that agricultural prosperity made general prosperity possible. They forget to take into consideration the new world condition which has permanently lowered the price of agricultural staples.

Their position can best be understood by the following illustration:

A bank safe set to a certain combination is readily opened by the use of that combination. Should the combination be changed it can no longer be opened by the former numbers, but only by the new combination.

Now, what the new combination is for the safe, the new world condition affecting the prices of agricultural staples is to the present protective system—it will no longer work.

The protective system must, therefore, be changed to meet the new world condition of agricultural staples, or it must be abolished. If it is to be changed to meet the new world condition, this change must be effected by granting an equal measure of real actual protection to

agriculture so long as it is given to manufacture. This is what we demand, and this can only be had for agricultural staples by an export bounty.

An export bounty on agricultural staples will do for this industry what a tariff on imports does for manufactures. It will do no more and no less, and in doing so will equalize and make just our present unjust and unequal protective system.

Quite a number of critics who agree with our conclusions object to the remedy offered, claiming an export bounty to be impracticable.

We have given these objections thorough and impartial examination and have found none of them valid.

The limited space of this paper prevents a review of the objections and answers.

These have been printed in a number of pamphlets and were extensively circulated, copies of which can be had free of charge by addressing Mr. David Lubin, of Sacramento, Cal., and at present residing at 1722 North Eighth street, Philadelphia, Pa.

Some recent critics base their objection to protection for agricultural staples by an export bounty on the ground that this system is objectionable in Germany, France, Austria, and Russia on sugar. These objections are, however, based on no foundation in fact, and are mostly inspired by those unfamiliar with the real conditions of sugar production.

Up to within a short time ago the bulk of the sugar production was from sugar cane, and came from Hawaii and the West Indies, where this industry naturally belongs.

Discoveries made for extracting sugar from beets caused an endeavor to produce it in European countries, but without success, as they could not compete with the cane-growing countries. To overcome this they established protection for this industry in the several European countries named by an export bounty, and what is the result. Sugar-cane growing is no longer profitable in Hawaii, the West India Islands are almost driven into bankruptcy, and Cuba was forced into revolution.

During all this time, however, the European countries are employing hundreds of thousands of acres of land in the production of sugar beets, and to much better advantage than it could be done by any other tillage.

It is true that there are numbers of free traders in Europe who are clamoring for the abolition of all protection, and among this the export bounty on sugar. But so long as the European countries find it advantageous and profitable to raise sugar beets, and so long as they realize that they can not do this without protection by an export bounty, then so long will the export bounty prevail there.

This very action of the European countries on the export sugar bounty but tends to illustrate the difference between the action of the lawmakers of Europe and of the United States in so far as it relates to agriculture. In the European protection countries the protective system is not alone designed for the protection of manufactures, but applies equally to agriculture, as is amply evidenced in the restrictive act against our breadstuffs and on other agricultural products in so far as it relates to imports. When, however, they produce an agricultural product in excess of its home need they protect it by an export bounty. Protection in the European countries is, therefore, intended to be just and equitable as between manufacture and agriculture.

The United States is the only progressive country in the world which by its protective system discriminates against its agriculture by a protective system which in its operation tends to shear the farmers of the nation of the greater portion of their legitimate profits.

To continue a system of this kind is not alone a stupendous injustice, but must react disastrously on the injuring party in the end. The injuring party may shut its eyes and close its ears to justice and equity. The last Presidential campaign may not have been object lesson enough for it. It may want to try it again at another campaign, when Democrat and Republican shall not fly into each others arms, and when Herr Most and his "gang" shall sit triumphant, with feet on desks and cigar at an angle of 45 degrees, and shall legislate whatever may seem expedient to it for the interest of vested property rights.

One-sided protectionists have yet to learn that the right path to wealth is the narrow one of honesty and integrity. They have yet to learn that the time has passed when they may seat themselves at the table of the conservative farmers of the nation and eat the produce of these farmers' toil without let or hindrance and without equivalent compensation. Protectionists who favor perpetual protection of manufactures at the expense of agriculture are willful devourers of that for which they neither toiled nor produced.

If taxing agriculture by protection to manufactures was deemed by Daniel Webster in 1824 a dangerous measure, what severer term may now be used to designate this same measure keyed up to the civil-war pitch on the one hand, and with agricultural machinery in the cheap land and labor countries lowering the farmer's home price to the present low world's price, on the other?

We can well understand that the most destructive and reactionary economic system possible is one which lowers the price of agriculture and at the same time artificially raises the price of manufactures.

Such a system is now in operation. And, should it continue?

Does free trade offer sufficient objections for its rejection? Then let us have protection. Protection that shall be just and equitable alike to manufactures and to agriculture. If we are to protect one by a tariff on imports we must then protect the other by a bounty on exports.

This or free trade will give agriculture the justice and equity it is entitled to.

Respectfully submitted.

LEONARD RHONE,
*Master Pennsylvania State Grange and President National
Equitable Protection Association of the United States.*

REPORT OF THE LEGISLATIVE COMMITTEE OF THE PENNSYLVANIA STATE GRANGE ON THE LUBIN PROPOSITION, SESSION OF 1896.

The legislative committee of the State Grange of Pennsylvania submitted the following preamble and resolution, which were unanimously adopted:

Your committee, in view of the continued depression in the prices of agricultural staples, which in the price of wheat is only partially and temporarily relieved by the demand for export, caused by the accident of a shortage in the crops of our principal competitors, have given attention to the proposed policy of a bounty on agricultural exports which has been so forcibly advocated by Mr. David Lubin, of California, and we accept as established these facts:

That the prices of agricultural products as a whole, and particularly of the great staples, are so reduced as to be often below cost of production, and that in no case do they offer a guaranty of profit.

That this situation is not confined to this country, although intensified here by the more liberal mode and higher cost of living of our people; in short, by their progress in education and advancement in civilization.

That unless remedied this condition must inevitably gravitate downward, until the level of the lower and debased agricultural population of the world is reached, a condition incompatible with the maintenance of our higher civilization and even the perpetuity of our free institutions and our self-government.

That we recognize a new "world condition" arising from the wonderful facilities of transportation by land and sea, which now brings together "as in a scroll" the very ends of the earth, which outstrips even time itself in disseminating intelligence through all the marts of trade.

That we realize that by the introduction of modern automatic machinery the superior efficiency of intelligent agriculturists is in a great degree discounted, and the educated farmers of our land are brought into sharper competition with those who but for the advantage given by their use of such machinery could never have become objects of our concern as rivals.

That we are aware of the additional menace which threatens us from the approaching completion of the Siberian railroad and the opening by Russia, as the bidder against the world, of the most enormous contiguous arable tract on the planet, which, when stocked with the latest farm machinery now manufactured in Continental Europe, will ultimately crowd all cereals and staples to a point lower than ever yet reached.

That we can not deceive ourselves with the idea that any measure of protection to our industries offered by a tariff on imports can avail in the slightest degree to benefit the grower of those crops of which he produces a surplus for export and whose prices are necessarily made in the world's market, where they are and must continue to be disposed of.

That we have a right to demand that the same proportion of advantage shall be given to the agricultural industry that is accorded by law to any other in this broad land.

That while protection countries which are importers of agricultural products may in a measure remedy the evil of low prices by increasing the duties on agricultural imports, it is manifestly impossible for those which produce a surplus for export to give the least particle of relief to the interest of the farmers by a high tariff on these products.

That the lessening of production of these farm staples, so as to bring it within the limit of our own home consumption, is no remedy, as it is an economic impossibility, and in any event could only injure by lessening the opportunities of employment to our people and reducing the actual resources and wealth of our country.

Again, that diversification of our production can afford no certain or permanent relief, as experience has proved that largely increased production, such as dairy products, truck, berries, fruit, etc., only tends to eventually lower these things, as well as the staples, below the profit point.

At a time when the American farmer had almost a world monopoly in the production of staples, when with cheaper lands he was the almost exclusive user of improved agricultural machinery, he was then able to pay the ultimate net cost of a high protective tariff and still live; but when, as now, the world's prices are down to one-half their former rates, in the face of this to attempt to even maintain, let alone still raise higher, the protective tariff would be economic suicide.

What, then, is the remedy? It is clear that we must either lower the price of the things which the agricultural producer must buy to the

world level of value through free trade, or artificially enhance in the home market the price of his products to the protection level by a genuine and real protection policy.

This, we have seen, it is utterly impossible to effect by any tariff, no matter how high, upon the staple crops, whereas a bounty on exports could not fail to raise the price of such products in the home market to the extent of that export bounty.

This would be securing to the American producer of these staples directly, and to all farmers of this country indirectly, the same measure of protection or advantage that the high tariff now gives to manufacturers.

And just as long as our manufacturers are protected on their productions by a tariff on imports, every consideration of justice, equity, and expediency demands as offset an equal protection to agriculture by a bounty on exports.

LEONARD RHONE,
GERARD C. BROWN,
JAMES G. McSPARRAN,
R. H. THOMAS,
B. H. WARREN,
F. N. MOORE,

Legislative Committee of the State Grange of Pennsylvania.

Unanimously adopted by the State Grange of Pennsylvania at its annual meeting at Altoona, Pa., December 10, 1896.

MEMORIAL OF ALEX. J. WEDDERBURN, MASTER STATE GRANGE
OF VIRGINIA AND SECRETARY OF THE NATIONAL EQUITABLE
PROTECTION ASSOCIATION OF THE UNITED STATES.

To petition the Senate to consider a proposition which, if adopted, will entail upon the country an expenditure of from \$60,000,000 to \$80,000,000 a year doubtless, to the unthinking mind, borders on the farcical, if not upon dementia. However, to again bring prosperity to the country, the farmers who produce the exportable staples must be made prosperous. Radical conditions demand radical remedies, and the financial and industrial conditions under which the farmers of the country are laboring demand relief, even if it must be sought by drastic measures.

If it is expedient to protect the manufacturing and mining interests of the country, it is equally expedient to protect the agriculturist.

I appreciate that to adopt the suggestions herein made means to increase the price of bread to the workingman and the cost of raw material to our manufacturers. In asking such action at your hands, I do it in the firm belief that, no matter how cheap bread may be, unless the wage earners have the money with which it can be bought, they are not benefited by low-priced bread; nor does it matter to the manufacturer or his labor how low the price of the raw material, nor how high his goods may be protected by a tariff, unless he can secure customers for them; and I further believe that if the protective policy be the correct one to be pursued, it should be carried to its fullest extent, so that every industrial interest of this great nation shall receive a proper proportion of protection. Otherwise, the policy is not protective, but oppressive, unequal, unjust, and inequitable.

Without discussing the rights or wrongs of the policy of protection, I have no hesitancy in asserting that if every industry received the same protective care at the hands of the Government there would be less cause for objection to such a policy. But so long as a class of our citizens who have money invested in manufactures are protected against foreign competitors, it seems only just that the same measure of protection be accorded to that much more numerous class, the American farmers, against competitors receiving, as will be shown, much less wages and living under much worse conditions than the European against whom protection is sought for our factory wage earners.

I am as anxious to see the wage earners in all our various industries protected as anyone; provided, however, that the entire cost of protection does not come out of the long suffering and overtaxed mortgage-ridden farmers.

Taxation has been unequally levied, not only as to sections, but as to classes and industries. The South and West certainly have borne the greater part of taxation, and the farmers of these sections have footed the bills. This is not just; this is not fair; this is not in accordance with the Constitution.

I do not desire to bring politics or sectionalism into this discussion. I trust in my advocacy of the cause of the American farmer that you will free me from any charge of partisanship. I think that no matter what party restores prosperity to the American farmer, and by so doing starts again the wheels of industry in our country, it should receive our warmest and most hearty commendation.

HOW TO MAKE THE WHEELS GO ROUND.

It may seem strange that anyone should possess the temerity to come before Congress at a time when a deficit exists in the revenues and request that you appropriate about \$50,000,000 for the purpose of paying a bounty on the exports of agricultural staples, and for the further purpose of raising the price of bread consumed by the people and the raw materials used by our manufacturers; and yet, gentlemen, if you do what I request and give us this export bounty on the products of our farms, you will raise the price of every pound of wheat, cotton, and tobacco used in the United States.

At first thought this may appear out of the sphere of protection; but why should there exist any greater reason for raising the price of wool than for raising the price of cotton? Is it more incumbent on Congress to raise the price of cutlery than to raise the price of wheat? Is it more important to raise the price of a tin pail that holds the working-man's beer than it is to raise the price of the hops that go into the manufacture of that beer? These are simple questions, which can and should be answered. I hope to demonstrate to you before I conclude that I am supporting a proposition that is every bit as just, every particle as equitable, expedient, and fair as the one that it is proposed putting into operation in the bill now being prepared by the House of Representatives.

To those unfamiliar with the law of incidence operating in protection when limited by a tariff on imports, it may seem absurd to come to Congress and ask them to appropriate \$50,000,000 for the protection of agricultural staples by an export bounty, especially when it is seeking to supply a deficiency for about that amount. But Congress has a duty higher than to secure revenue, for upon it devolves the important duty of relieving the industrial interests of our country. It not only

devolves upon it to provide the means to carry on the Government, but it is its duty in doing so to see that each and every branch of industry in the Union is justly and fairly treated.

We must not forget to take into consideration that we are entering upon a new era in the world's history. New conditions confront us, and, as patriotic Americans, representing no political party, but the American people, it becomes your duty to investigate and act, not in the spirit of partisanship, but in a spirit of loyalty to the people and the country.

We confront to-day conditions so different from the past that it is almost impossible for the mind to grasp them. Yet it is your duty to study them and see what should be done to bring relief to our people who produce our bread and clothing and the exports sent abroad for our money supply, inasmuch as our farmers are as much our people as are the gentlemen who have a few hundred thousands invested in mines and factories. These toilers at the plow are as much our people as are the delvers in the mines or the men and women in our factories. Yet, in the years of past legislation "none have been so poor as to do them reverence" except in words, and they, poor fools, have taken words for deeds. But the time has gone when words will suffice.

The new world's condition is here, which must be met by acts. Prosperity is promised. Can it be secured until prosperity returns to the farmers of this country?

What matters it, gentlemen, how high you make your tariff on the products of the factory or mine? Can you benefit the manufacturer or mine owner; can you benefit the wage earner in either factory or mine by securing to them by a tariff the home market unless a home market exists which can be secured to them in fact as well as in theory?

Raise the price of shirts or of hats 25 cents each—raise the price of everything. What matters it if they can not be sold? Do not flatter yourselves that men must buy. I tell you, gentlemen, that men can not buy when they have nothing to buy with. The capacity to purchase depends upon the ability to sell at a profit. A continued sale of products at less than their cost means not only inability to purchase the products of others, but ultimate ruin to the seller.

The ruin of our agriculturist means the ruin of every other industry. Destroy the ability of one-half the people to buy at a profit and you not only ruin them, but you destroy the opportunity of the remainder to sell their products to them, and in the same proportion as one set of consumers are prevented from consuming you destroy the other's capacity to consume.

Take from half of the community the ability to purchase and you lessen the power of the other half to purchase proportionately. Unless it be the very few who are not producers of wealth, but absorbers, and whose wealth exists in tokens of value rather than in real wealth, such people are undoubtedly benefited by hard times and made richer, as their ability to purchase land, labor, and products increases.

But these people are few in number and should only be considered in connection with the toiling masses and great producers of wealth of the nation in proportion to their numbers, and not in proportion to their tokens of value.

Start up the prices on the farm, give the American farmer an opportunity to compete with the black and yellow men who are now striving for mastery of the world's trade with him, and you solve the problem of returned prosperity as easily as Alexander solved the problem of the "Gordian knot."

Only a few years ago America outstripped the world in her ability to

profitably sell breadstuffs. Why? Because of her exclusive ability to produce at a lower cost and higher profit than competitors. The world wanted breadstuffs and cotton, and we sold to the world, gathering in the world's spare cash. We were enabled to do this because not alone of our cheap lands, but because of our improved agricultural machinery and of our transportation facilities.

To-day Europe is being honeycombed with farm-machinery factories, competing with the factories of our people, and last year for the first time in our history we imported nearly \$6,000 worth of these goods, and the agricultural machinery factories at home and abroad are sending to the uttermost parts of the earth these agricultural machines to be used in competition with our producers upon lands as fertile and cheap as ours, and with labor that costs from 5 to 25 cents a day—labor housed in hovels unfit for an American horse, and clothed with clouts or sheepskins.

The majority party in Congress demand that American labor shall be protected against foreign pauper labor. They say that the American standard of labor shall be kept up to \$1 or \$1.50 a day as against 30, 40, 50, and 75 cents a day in Europe. And I can honor such a demand, provided it is consistent. They wish to protect American labor against competitors who earn 30, 40, 50, and 75 cents a day, and I ask that the man who produces the bread that we eat, the raw material of the clothes that we wear, shall also be enabled to compete with those who live and thrive on 10 cents a day. If the one proposition is just, the other is equally so, and is besides urgent as an object of protecting care, especially when it is remembered that in protecting one class of labor against the lower wage rates of Europe the burden of that protection is placed upon the shoulders of the man who is compelled to compete with the 10-cent-a-day wage earner.

I appreciate that it is hard for gentlemen raised in certain schools of political economy to change their ideas suddenly. But can there be prosperity in our country until the farmer is prosperous? Manufacture and mines depend for prosperity on the prosperity of our farmers. Farmers raising products that must be sold at less than the cost of production must of necessity be unable to buy the products of the factory and mine, and unless they do these industries must suffer. The compulsion to sell one's products at a loss does not give the power to buy other men's products at a profit to them. Our country is like a great machine shop. Agriculture represents the fly wheel of industry; it is connected with the main shaft and by it with the countershafts, and by them with the looms, spindles, drills, crushers, mills, etc. Impede the speed of the fly wheel and you impede everything else. Recollect, if you please, that there are employed in this great industry 9,013,201 people, according to the last census. They represent almost one-half of our industrial population. Consider, if you please, what it means for one-half of a great nation like ours to be working from before sunrise until sunset, summer and winter, "in seedtime and harvest," and selling their products at less than they cost to produce. These are in direct competition in the home market with the prices of the cheapest land and labor countries of the world. Can we, then, justly burden this industry with the enormous cost of the present protective system and offer them no protection in return?

Consider that in 1860 the farmers of America owned nearly one-half of the country's wealth, or \$7,000,000,000, out of \$16,000,000,000; but in 1890 they only owned one-fourth, or \$4,000,000,000 out of \$16,000,000,000, and this notwithstanding the fact that the country's wealth had

increased 400 per cent. And of this reduced proportion one-third was mortgaged, leaving to the wealth creators of our land actually one-sixth of its wealth free from incumbrance.

If by making the appropriation asked you raise the price of all farm products above the profit point and thereby give the farmer something beyond the cost of production with which he can buy the much needed, by him, products of the mine and factory, do you not advance the general welfare and add to the wealth of all? And if this is the result are you not justified in making the expenditure?

We ask for no special legislation, but we ask that so long as you protect manufacture and mines by a tariff on imports that you likewise protect the staples of agriculture by a bounty on exports.

It will be asked, where will the money come from? And I answer, once set the agricultural fly wheels in motion, make the farmers prosperous, lift from their shoulders the burdens laid thereon and encourage them to renewed efforts by a surety of reward for their toil, and there will be no lack of money to pay these bounties or to run the Government, pay its debts, restore confidence, and cause the nation to enter upon an era of unsurpassed prosperity that will last for years.

The great motive power that moves the industrial interests of this country; and of the world, is that industry which produces wealth and supplies food and clothes for the people, and upon its healthy action depends the body politic for wealth, health, and life itself. But so long as wheat is raised at a loss of over \$5 per acre, corn at a loss of over \$3.40 per acre, cotton at a loss of about 1½ cents per pound, and tobacco at a loss of from 1 to 2 cents per pound, so long will the farmer be unable to buy the products of the mines and factories; and it matters little to either manufacturer or miner, or the men and women who labor in the factory and mines, what protection is placed upon their goods unless they find customers for them. What boots it what the profit they can place upon their goods unless they can be sold. Let the stagnation that now exists continue, and where is the miner to sell his coal, iron, etc., or where will the manufacturer find sale for his much needed boots, shoes, clothing, and machinery? What benefit does it do these people to secure to them the home market, unless there exists a home market in which they can sell?

Those of us representing the producers of staple agricultural products, and asking that they be equally protected with other industries so long as those other industries are protected, believe there will be no trouble to secure the money necessary to put the plan into execution. Increase the price even of 10 per cent on our exports of agricultural products, amounting to nearly \$600,000,000 a year, the cost is only \$60,000,000; but remember, gentlemen, that the remaining products used at home will also be raised 10 per cent, and the American farmer will thus be given over \$600,000,000 every year with which, first, to even up the costs to him of protection by a tariff on imports; second, to pay his debts incurred by a one-sided protection system, and thus enable him to buy the products of the mines and factories.

A raise of 1 cent a pound on cotton makes \$35,924,168.50 to the producers thereof; 5 cents a bushel on wheat means \$25,555,147.35 to the producers in the United States. These figures mean work upon the farm that will pay; paying farms mean paying factories and mines and prosperity for our whole country. Properly geared, properly oiled, and free from obstruction, our agricultural fly wheels set in motion means wealth to our nation and work and happiness for all the people.

We appropriated in 1896 (not including contracts for \$59,616,404.91

to be hereafter provided for) \$12,659,550 for the improvement of our commerce in our river and harbor bill. We spent \$23,278,402.73 for our Army and \$30,562,660.95 for our Navy. Our post-office cost \$90,626,295.84, and our 970,678 pensioners cost \$139,280,078.15 more. The American people were taxed by the tariff in 1896 \$156,104,548.81 for the benefit of our manufacturers and miners. We spent many millions more for education in our public schools—\$178,215,556—and for other purposes. These expenditures are justified because of the public need and welfare. If this is right—and no one questions it—surely an expenditure, as requested by your petitioners, which will result in a rise of prices of all exportable farm products, which in time will cause demand for other products and give employment to every idle man in the Union and restore every branch of industry to its pristine prominence, will be doubly justified. By restoring agriculture to its proper position in the nation you at once solve the riddle of how to do away with hard times and sectional prejudices.

EXPORTS AND IMPORTS.

In 1896 we exported \$863,200,487, not including foreign goods reexported, amounting to \$19,406,451. The excess of exports for the last year was \$102,882,264. This sum was the trade balance in our favor, but did not represent the following items of debts against us as a nation:

Interest on public, private, and corporate debts amounting to at least.	\$350,000,000
Amount spent by rich travelers abroad.....	100,000,000
Amount paid for ocean carrying trade.....	100,000,000
Amount sent out of the country by foreigners.....	100,000,000
Insurance, etc., sent abroad.....	50,000,000

Total.....	700,000,000
Deduct our credit trade balance.....	102,882,264

And the amount stands against us..... 697,117,736

This sum is paid in new certificates of indebtedness, new exports of bonds, stocks, and deeds to land. Each new certificate of indebtedness that goes abroad increases our interest burden and helps to still further increase our financial embarrassments.

With such figures staring us in the face, it does not seem preposterous that you should be asked to increase our exports so as to turn the tide and bring in wealth instead of sending it all away.

AGRICULTURAL EXPORTS.

In 1860 the exports of agricultural products were \$256,560,972, or 81.13 per cent of the total exports.

In 1870 the agricultural exports amounted to \$361,188,483, or 79.35 per cent.

In 1880 they were \$685,961,091, or 83.25 per cent.

In 1890, \$629,820,808, or 74.61 per cent.

In 1896, \$569,879,297, or 66.02 per cent.

We are shipping many more pounds, but getting many less pence. I also desire to direct your attention to the great increase of exports of agricultural machines and implements sent abroad and used to produce products to compete with our farm products.

Our exports of agricultural machinery, mostly to the cheap land and labor countries, were, in—

1887.....	\$2, 138, 398	1892.....	\$3, 794, 983
1888.....	2, 645, 187	1893.....	4, 657, 333
1889.....	3, 623, 769	1894.....	5, 027, 915
1890.....	3, 859, 184	1895.....	5, 413, 075
1891.....	3, 219, 103	1896.....	5, 176, 775

It will be seen that in nine years these exports have increased 250 per cent.

During the same period Europe has been making gigantic strides in the same direction, as Mr. Lubin has shown the committee by his important collection of catalogues, and which were submitted for examination to the Ways and Means Committee of the House of Representatives, of these agricultural machine manufactories scattered all over Europe.

The strangest and at the same time not the least significant of the many statistical items that are furnished by the Treasury is the fact that in 1896 for the first time in our country's history agricultural implements were even imported to the amount of \$5,922, showing that the European manufacturer, though late in the field, is gaining apace.

Last year we each used of cotton 18.16 pounds, of wheat 4.78 bushels, and corn 14.73 bushels, and yet many went hungry and thousands lacked clothes. Can it be presumed that people would have gone hungry and without clothes if they had been able to buy?

Our schools are a pride to the nation. Our children of school age, between 5 and 18, numbered in 1896 20.3 millions; these schools cost us \$8.77 for each child. How long can this vast expenditure so necessary for civilization be kept up under present conditions? Go to the records for the ever increasing failures among our business institutions. Does not such a condition prove that a radical wrong exists somewhere? We look in vain for smoke from the factories and the miner's pick is silent.

Failures will continue. We will not hear the busy whir of the factory or the pick of the miner unless the products made by these people can be sold; and their idleness means worse times for the farmers.

The census shows that the value of our farms was in 1890 \$13,279,252,649, averaging in value \$2,786 each. This sum, \$2,786, if invested on mortgages at 6 per cent would bring in \$167.16, quite enough to support oneself in the country. But does the farmer get paid for his labor, much less interest upon his investment? Very few can expect to get more than a bare living, and many run in debt.

The census showed that 35.55 per cent of these farms were encumbered (and that 39.77 per cent of homes other than farms were also mortgaged). The average interest paid by the farmers was 6.23 per cent.

The average annual interest charge against each mortgaged farm was \$80, and the total interest charges on farms in the United States was \$65,182,029. A sum representing the total value of the product of nearly 10,000,000 acres of either corn or wheat, the value of wheat per acre being set down by the Statistical Report at \$6.99 and of corn at \$6.91 per acre.

In 1896 there was produced: Corn, 1,151,138,580 bushels; wheat, 467,102,947 bushels; cotton, 3,592,416,851 pounds. We exported: Corn, 101,100,375 bushels, or 8.78 per cent; wheat, 126,443,968 bushels, or 27.1 per cent; cotton, 2,335,226,385 pounds, or 65 per cent. Of these products we imported: Corn, 4,338 bushels; wheat, 2,116,303 bushels.

There are some protectionists who object to the protection of agri-

cultural staples by an export bounty, and yet this is the only way by which the home market of these products can be protected. These same protectionists, however, are not alone in favor of protection to manufactures by a tariff on imports, but they also insist upon and actually obtain, besides, protection on manufactures by a bounty on exports. The United States to-day pays an export bounty to manufacturers of 99 per cent on every dollar of duty they pay for the raw material when it is manufactured and reexported. If it is right to protect our manufacturer in the home market by a tariff on imports and by a drawback bounty on exports, is not the American farmer entitled to a little of the same protective medicine?

But to return to the main question. In 1873 (I use that year because the books do, and without any connection to the crime) we imported 4,425,524 pounds of foreign cotton; in 1896 we imported 55,350,520 pounds, and when the producers of the long-staple cotton came before the Ways and Means Committee of the House of Representatives a few weeks ago and asked to be protected against the Egyptian product, they were promptly met by a New Englander with a protest. Yet these same gentlemen very earnestly demand protection for their manufactured cotton goods. What right exists either in business, morals, or politics to protect the manufactured products against competing labor receiving 50 to 60 cents a day and debar the raw material from protection against 10 and 15 cent a day labor?

In 1896 we exported 287,700,301 pounds of tobacco, valued at \$24,405,245, and 7,839,011 pounds of stems, valued at \$106,117. Is not this great industry, which brings into the country \$24,500,000 annually, worthy of your consideration? Recollect, gentlemen, that this exported tobacco represents nearly \$25,000,000 that other people consume and send to us their hard cash. If we can, by a liberal system of bounties, double these exports, will not the country be benefited?

If our suggestion in regard to giving a bounty on agricultural exports carried in American bottoms is adopted by building up

AN AMERICAN MERCHANT MARINE

employment will be given to hundreds of thousands of workmen in building ships. Many thousand men will be required to man these vessels, and we will at the same time stop the drain of \$100,000,000 annually paid to foreign ships for transporting our products. The advantage this proposition has over the plan to pay differential duties to American ships is that we pay a bounty to get our products out of the country which shall bring back cash or its equivalent, while a differential duty simply enables American ships to bring in foreign products to compete with American products, and pay to ships so doing a bounty in the shape of a rebate.

Our proposition, while it builds up our farmers and supplies customers for our factories and mines, and also builds up our merchant marine, does not in any way interfere with the protective policy, but it equalizes and extends that policy, broadening it so as to cover each industry instead of, as at present, confining the benefits to a few favored classes, the burden of which of necessity must be borne by the bread producers.

The following figures are taken from the Statistical Abstract of 1896:

	<i>Tonnage.</i>	<i>Tons.</i>
Entered		17, 452, 968
Cleared		17, 818, 790
Total domestic and foreign.....		35, 271, 958

Tonnage carried in foreign ships.

	Tons.
Entered	13, 778, 562
Cleared	14, 042, 456
Total	27, 821, 018

Tonnage carried in American ships.

Entered	3, 673, 487
Cleared	3, 741, 069
Total	7, 414, 556
Of our imports, American vessels carried in 1896	\$117, 299, 074
While our foreign consins carried	626, 890, 521

American ships had the prior privilege of carrying from American parties 15.7 per cent.

While of our imports:

American vessels carried	\$70, 392, 813
Foreign vessels carried	751, 083, 000

Giving the American ships 8.5 per cent of this trade. The total carrying trade in American ships in the foreign trade is only 12 per cent, while in the early part of the century just closing American ships carried nearly 90 per cent of ocean traffic.

The farmers are not in any way selfish. While we come to you and ask protection for our products, we are not unmindful of the great industries of our country, and we are ready to ask that in protecting us you also protect our fellow-industry, shipping, for it is well known that this industry, like agricultural staples, can not be protected by a tariff on imports, and we do this with the full knowledge that this great industry, through its leading representatives, after full and frank discussion of the proportion to pay an export bounty on agricultural products when exported in American bottoms, agreed to support our bill. Through their leading shipbuilders and shipowners on this continent they said that their former policy of asking for protection for themselves was wrong, and that to secure a just proposition of the care of Government they should join in this effort to secure protection to staple agricultural products as well as to shipping. After this these gentlemen have seen fit to go back upon the farmers of this country, and have been deluded into an attempt to secure at the hands of Congress the passage of the Elkins bill, which has been shown will cost the Government over fifty millions a year, and which would fall as an additional burden upon agriculture.

Notwithstanding their action, which may be charged as treacherous, we are here to carry out our pledge to these shipbuilders, and ask that in granting us this protection you will likewise give them just protection, as provided in our bill. We do not ask this because we approve of the failure of these shipbuilders to keep their word, but because we wish to keep ours, and because we believe it consistent and honest to extend protection to the American merchant marine so long as we ask for and obtain protection for ourselves. In this connection we desire to say that we protest against the scheme proposed by these gentlemen for a differential duty, for the reason that such a bonus to the shipbuilders and shipowners means an additional tax of over \$50,000,000 upon the farmers of this country, and, besides, it simply means an opportunity to unload foreign manufactured products in American ships upon the country to compete with our own manufacturers at a greatly reduced rate of duty, and an enhanced price if brought in on foreign ships, which enhancement must fall upon the unprotected farmers.

OVERPRODUCTION AND DIVERSIFIED AGRICULTURE.

Overproduction is the cry raised as the cause of low-priced farm products, and diversified agriculture is a suggested remedy for equalizing a one-sided and an unjust protective system. No greater fallacy exists than this. There is more of sophistry than equity in this suggested remedy.

How can there be overproduction of food when men, women, and little children go hungry? Is there an overproduction of clothing where men go naked, or of coal where fires are needed to keep out the cold? I do not see how intelligent men who understand the facts as they exist in our country to-day can talk of diversification as a means of adjustment of a one-sided protection system. No, sirs, as long as men are shoeless, there can be no overproduction of shoes; as long as people go supperless to sleep, there is no such thing as an overproduction of food. If every man was given employment in the United States I do not believe we would have a surplus of wheat for export. Is it reasonable to say that the food supply of the world is in excess when millions in India are to-day starving. The idea is delusive, misleading, and absolutely false. The trouble lies, gentlemen, as Gen. B. F. Butler said in 1888, "in under-consumption," and the American people look to you, their lawmakers, to so legislate as to give them the financial ability to consume. When this is done, it will be found there is no surplus, no overproduction.

Now, sirs, a word about

DIVERSIFIED AGRICULTURE.

As a farmer, I believe that every farmer should so diversify his crops as to raise everything possible for his own use. He should raise his bread, his meat, his vegetables, his poultry, his hay, his fodder, and everything he needs for man and beast upon his place. The successful farmer is the man who does this and has a surplus to sell. But diversified agriculture, while it brings prosperity to the individual, it also brings disaster to communities. For example: Start the Georgian to raising fruit, and it comes to New York and Philadelphia markets to compete with that of Delaware. In the Norfolk truckers New Jersey meets a powerful competitor. Watch the butter and cheese coming from the West to compete with that of New York. Illinois and Iowa furnish these articles in immense quantities. If the Southern planter reduces his cotton acreage and plants corn and raises hogs, are not the markets for Kansas and Missouri interfered with. Florida tomatoes not only come first to the Northern markets, but they last long enough to reduce the price of the Maryland product. Georgia watermelons reduce the price of those raised in tide-water Virginia, and so on through the whole list of products and States. Diversified agriculture has its disadvantages as well as its advantages, and the great disadvantage to the nation in reducing the amount of exportable staples lies in the fact that every dollar of value taken from exports means still greater indebtedness abroad as a nation with each succeeding year by reason of the curtailment of exportable staples. Gentlemen, you should do all you can to further the production of exportable staples, so as to aid each section in producing those crops that nature has best suited them for, and thus prevent interstate competition between the various sections in a curtailed market. Give us a bounty, thus increasing our prices, and you will solve the question of both overproduction and diversified farming.

EQUALITY IN PROTECTION.

The proposition presented is not one of alms asking, nor is it a petition for special aid. It is simply a plan to rectify a wrong, to retrace false steps, and restore prosperity to all by restoring to us justice—simply justice—to the foundation industry of our land—to agriculture. We do not come here as suppliants asking that we may be made to prosper at the expense of others; we come as citizens asking that so long as certain privileges are accorded others, for which we must of necessity pay, that you grant the farmers the same measure that you mete out to them, and in a manner by which the benefits of these privileges can reach us, and which you know is not by a tariff on imports.

We are not praying for a chance to better our condition at the expense of other industries, but so long as others are protected, and as the burden of that protection of necessity falls on agriculture, we insist, and we have a right to insist, that, so long as they are protected, the same measure of protection be accorded us. We ask that we be enabled to seek for our products a market in this wide world under the same artificial conditions that our home market is secured to the manufacturers, and that, so long as we are deprived of the privilege of purchasing at the world's prices in the markets in which we are compelled to sell all our products, the same protection given our brothers, in compelling us to buy of them at artificially enhanced prices, be accorded us. We come doubly satisfied with our proposition, because by adopting it you at once secure the home market to the manufacturers and miners. You insure them not only the home market, but you make that market a reality by putting it within the farmers' power to purchase, and at the same time you grant us the same privilege and advantage by a real protection, which for us can not be had by a tariff on imports, and thus the wheels of industry are put in motion, and you restore prosperity by enabling us to compete with low-priced labor that is striving for the mastery.

CONCLUSION.

It is impossible to conclude this statement more appropriately than to refer to the report (H. R. 1999) made to the House of Representatives of the Fifty-third Congress by that distinguished and able champion of agriculture, the late William H. Hatch, of Missouri, and to extract therefrom as follows:

The manufacturer and laborer, not alone of New England but of the whole country, must clearly meet the issue and face the condition that confronts them. Agriculture has gotten to the verge of ruin; it has reached the point where production ceases to be profitable, and where the manufacturer would close down and turn out his employees to shift for themselves; but the farmer can not do this. He can not stop. The plow must plod through the furrow, and "spring time and harvest" must come as the sun revolves. The farmer can not stop; he continues, and as he raises crops to sell at less than they cost him to produce them, they raise the mortgage higher each year and make the labor of life more difficult as the seasons come and go. First one economy and then another is forced upon the family. The hired man is driven from his place, and he, too, becomes a drag upon society; the country merchant is made to feel the pressure of the times, and he reduces his purchases or is driven into bankruptcy; next, inexorable fate crushes its way into the wholesaler, and finally, the manufacturer is made to comprehend, as is the transportation company, that distress is abroad in the land and that prosperity hath taken flight.

A stoppage of orders at the factory stops the mill, and the operatives learn, alas, now that it is too late, that the protection when unequal and unjust recoils upon its very pets, and retribution comes, bringing in its wake dire disaster to the entire body politic. Nor does the trouble cease here. The endless chain that encircles this

road of distress and dire calamity seems only to have begun its fatal work. The wage earner sent adrift upon the world must cease to be a purchaser, and the home-market man with his garden truck, his milk and butter, the grocer and dry goods man, the doctor and the preacher, each and every one in turn suffers and drinks the dregs that fill to overflowing the cup of sadness that must inevitably follow laws that oppress and rob one class of the people to enrich another. Fate, inexorable fate, has so decreed it, and Heaven itself would be unjust were it otherwise.

Trusting that you may be able to adopt our suggestions or, failing to do so, at least adopt some method by which the struggling men who produce the staple products of agriculture may be relieved from the burdens of the Egyptian yoke now worn by them—for depend upon it, gentlemen, prosperity will never return to our beloved country until the American farmer is enabled to make money from his farm.

Respectfully submitted.

ALEX. J. WEDDERBURN,
Master Virginia State Grange, and
Secretary Equitable Protection Association.

INDORSEMENTS OF THE PROPOSITION.

The Lubin export bounty proposition has been indorsed as follows:

The State grangers of Pennsylvania, California, Washington, Oregon, Nebraska, Missouri, Illinois, and Virginia.

By the boards of trade of San Francisco, Cal., Seattle, Wash., and Portland, Oreg.

Shipbuilders and representatives of the grange in Philadelphia.

Representatives of shipbuilders, board of trade, National Grange and National Farmers Congress in meeting at Worcester, Mass. Labor organizations at Chicago, Ill., and many others. The Republican party of California. The legislature of California. All of which resolutions have been previously presented to the Senate or House, and the following measure from the legislature of the State of Washington, presented by Hon. Augustus High, master of the State Grange:

SENATE MEMORIAL NO. 4.

STATE OF WASHINGTON, FIFTH REGULAR SESSION.

Read first and second time February 3; rules suspended, ordered printed, and referred to committee on agriculture.

To the Congress of the United States:

We, your memorialists, the senate and house of representatives of the State of Washington, would most respectfully represent:

That the rapid development of hitherto uncultivated lands in countries with a comparatively low standard of civilization and consequent cost of maintenance has created such a forcible competitor to the farmer of the United States that, with the latter's much more costly mode of living, the world's price of agricultural staples has reached a point at which, under existing conditions, he finds himself unable to cope with his opponent. This fact has given rise to the question What will the American farmer do to make his occupation yield more than the absolute necessities of life?

After due consideration of all conditions appertaining thereto the American agriculturist has come to the conclusion that if it is necessary

for the manufacturer to be protected by law from the invasion of foreign competition he is in equity and justice entitled to the same consideration. There seems to be logic in the proposition he submits, that since he has to pay a tariff rate on almost everything he uses, and if there be any good reason for so doing, he for the same reason is entitled to similar consideration. He believes that if it be right to sustain one factor of our civilization another factor equally deserving should not suffer.

In view of the continued depression in the prices of agricultural staples, which in the price of wheat is only partially and temporarily relieved by the demand for export, caused by the accident of a shortage in the crops of our principal competitors, have given attention to the proposed policy of a bounty on agricultural exports, which has been so forcibly advocated by Mr. David Lubin, of California, and we accept as established these facts:

That the prices of agricultural products as a whole, and particularly of the great staples, are so reduced as to be often below cost of production, and that in no case do they offer a guaranty of profit.

That this situation is not confined to this country, although intensified here by the more liberal mode and higher cost of living of our people; in short, by their progress in education and advancement in civilization.

That unless remedied this condition must inevitably gravitate downward until the level of the lower and debased agricultural population of the world is reached, a condition incompatible with the maintenance of our higher civilization and even the perpetuity of our free institutions and our self-government.

That we recognize a new world condition arising from the wonderful facilities of transportation by land and sea, which now bring together "as in a scroll" the very ends of the earth, which outstrip even time itself in disseminating intelligence through all the marts of trade.

That we realize that by the introduction of modern automatic machinery the superior efficiency of intelligent agriculturists is in a great degree discounted, and the educated farmers of our land are brought into sharper competition with those who, but for the advantage given by their use of such machinery, could never have become objects of our concern as rivals.

That we are aware of the additional menace which threatens us from the approaching completion of the Siberian railroad and the opening by Russia, as the bidder against the world, of the most enormous contiguous arable tract on the planet, which, when stocked with the latest farm machinery now manufactured in continental Europe, will ultimately crowd all cereals and staples to a point lower than ever yet reached.

That we can not deceive ourselves with the idea that any measure of protection to our industries offered by a tariff on imports can avail in the slightest degree to benefit the grower of those crops of which he produces a surplus for export, and whose prices are necessarily made in the world's market, where they are and must continue to be disposed of.

That we have a right to demand that the same proportion of advantage shall be given to the agricultural industry that is accorded by law to any other in this broad land.

That while protection countries which are importers of agricultural products may, in a measure, remedy the evil of low prices by increasing the duties of agricultural imports, it is manifestly impossible for those which produce a surplus for export to give the least particle of relief to the interest of their farmers by a high tariff on these products.

That the lessening of productions of these farm staples so as to bring them within the limit of our home consumption is no remedy, as it is an

economic impossibility, and, in any event, could only injure by lessening the opportunities of employment to our people and reducing the actual resources and wealth of our country.

Again, that diversification of our production can afford no certain nor permanent relief, as experience has proved that largely increased production, such as dairy products, truck, berries, fruit, etc., only tends to eventually lower these things, as well as the staples, below the profit point.

At a time when the American farmer had almost a world monopoly in the production of staples, when with cheaper lands he was the almost exclusive user of improved agricultural machinery, he was then able to pay the ultimate net cost of a high protective tariff and still live; but when, as now, the world's prices are down to one-half their former rates, in the face of this to attempt to even maintain, let alone raise still higher, the protective tariff would be economic suicide.

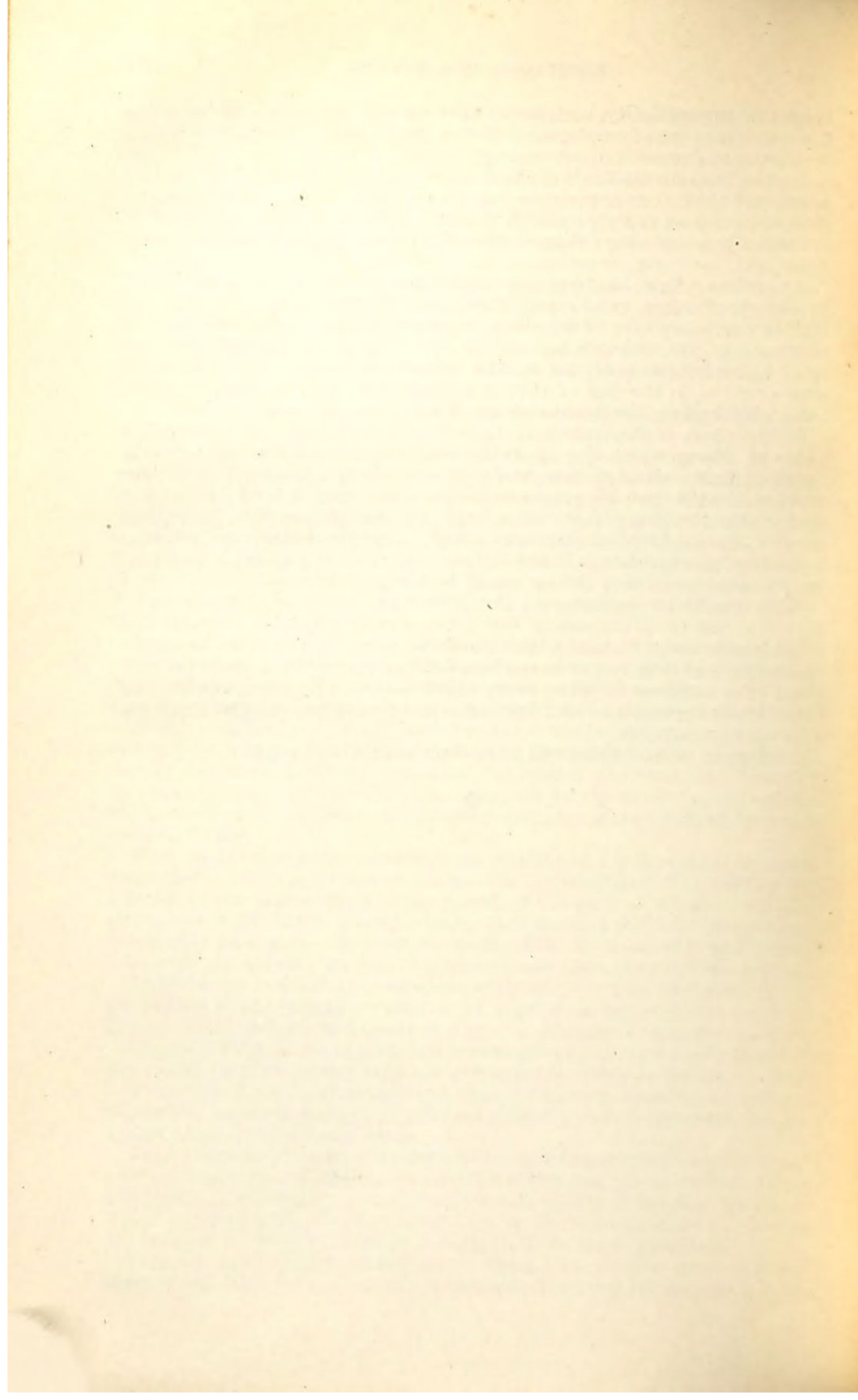
What, then, is the remedy? It is clear that we must either lower the price of things which the agricultural producer must buy to the world level of value through free trade or artificially enhance in the home market the price of his products to the protection level by a genuine and real protection policy. This, we have seen, it is utterly impossible to effect by any tariff, no matter how high, upon the staple crops, whereas a bounty on exports could not fail to raise the price of such products in the home market to the extent of that export bounty.

This would be securing to the American producer of the staples directly, and to all farmers of this country indirectly, the same measure of protection or advantage that the tariff now gives to manufacturers.

And just as long as our manufacturers are protected on their productions by a tariff on imports, every consideration of justice, equity, and expediency demands as an offset an equal protection to agriculture by a bounty on exports.

And your memorialists will as in duty bound ever pray.





OFFICIAL RESIDENCE FOR UNITED STATES MINISTER AT
TEHERAN, PERSIA.

MARCH 2, 1897.—Referred to the Committee on Appropriations and ordered to be
printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE SECRETARY OF STATE, CONCERNING THE
PURCHASE OF AN OFFICIAL RESIDENCE FOR THE UNITED
STATES MINISTER AT TEHERAN, PERSIA.

DEPARTMENT OF STATE,
Washington, March 1, 1897.

SIR: Adverting to Senate Document No. 128, Fifty-fourth Congress, second session, I have now the honor to apprise you of the receipt of a dispatch from the United States minister at Teheran, Persia, No. 276, of January 18, 1897, concerning the purchase of an official residence there.

Mr. McDonald thinks that a suitable building and grounds for legation purposes could be procured from \$15,000 to \$50,000, according to location.

The countries which own their legation residences at Teheran at present are France, Germany, Great Britain, Russia, and Turkey. They own besides legation premises at summer places near the city. The value of the British and Russian properties is placed at between \$200,000 and \$250,000 each, that of France at \$100,000, and that of Germany at \$50,000.

The five other Governments represented at Teheran have rented premises for their respective legations.

I have the honor to be, sir, your obedient servant,

RICHARD OLNEY.

HON. ADLAI E. STEVENSON,
Vice-President of the United States.

○

INEQUALITIES IN THE EXISTING TARIFF.

MARCH 2, 1897.—Referred to the Committee on Finance and ordered to be printed.

Mr. QUAY presented the following

MEMORIAL OF THE STATE GRANGE OF PENNSYLVANIA, SETTING FORTH INEQUALITIES IN THE EXISTING TARIFF.

To the Honorable Senate and House of Representatives of the United States:

In the revision of the tariff schedule now under consideration the objective points seem to be revenue and protection.

It may seem that these two are necessarily inseparable, that when we want revenue we must indirectly and necessarily have protection, and that when revenue is sought by taxing imports it can not be had without bringing protection. This is the prevailing opinion of a large body of people, and yet it is not true. Of the \$800,000,000 imports a year about half now appears on the tariff schedule and the other half is on the free list.

Every intelligent person knows or can know that so far as revenue is concerned—revenue to meet Government expenses—that this can more readily and surely be had by reversing the order of the schedule, by placing on the tariff schedule the articles now on the free list and by placing on the free list the articles now on the tariff schedule.

This being the case, it may now properly be asked, Is it the object of the proposed tariff legislation to purely seek revenue, or is it the object to secure protection?

The reply may be that it will be the endeavor to so frame the new tariff bill as not alone to secure revenue but, incidentally, protection likewise.

Such an answer while ingenious is not sincere. It seeks to cover the intention under a cloud, intending to indirectly convey the idea that protection is necessarily incidental to the getting of revenue for Government expenses.

It is as if these were to say, We must have revenue for Government expenses. In order to get it we must place imports on the tariff, and if doing so brings indirect protection, how can we help it?

To many this would seem candid, but the truth is that it is sophistry pure and simple.

Observe that for 1896 there was imported, dutiable, \$390,769,561; but there was also imported \$368,897,523 which was admitted free of duty. Even a casual glance at the character of the articles on the tariff list and a comparison of these with the articles on the free list will show clearly that the primary object of the tariff is protection with incidental revenue.

Let us now ask, "protection of what?" and the answer will no doubt

promptly come, "protection to American industries against the competition of the pauper labor of the world." Let us now further ask "is this protection to be special, for certain or special industries, or is it to be general and apply equally on all industries which need protection?" And the answer will no doubt be that special protection would be class legislation, and pernicious; that the protective system aims to protect all American industries requiring same.

Very good; but pray tell us how a tariff on imports can protect the staples of agriculture so long as they are largely exports? No one can be shamefaced enough to say that they can be protected directly by a tariff on imports so long as they are exports, and to say that it can protect them indirectly is to admit that protection by a tariff on imports in the United States indirectly enhances the world's prices of agricultural staples, for as the export and home price of agricultural staples is the same, any enhancement of our prices necessarily means an enhancement of the world's prices. Of what value, then, is an indirect protection to agricultural staples in the United States which indirectly enhances their prices in such competitive countries as Argentina, Russia, or India?

Of no value; on the contrary, it but tends to increase competition and an ultimate lowering of the price below the American protective cost of production. Thus we see that protection in the United States when limited to a tariff on imports is a direct and an indirect injury primarily to the producers of agricultural staples, and when a decline becomes permanent for these, it ultimately tends to lower below the profit point all agricultural production, whether staples or nonstaples.

The momentum given an object must expend itself before it comes to rest is a general law in mechanics, but this law does not seem to apply to our protection system. Originally designed to protect infant industries, which was to cease when they were no longer infants, has gained a momentum which seems to defy the laws of its causation.

There being no actual need for the further protection of infant industries, the cry has been changed to protection for American industries against the competition of the pauper labor of the world; and as the labor of the world is likely to remain "pauper" for an indefinite period, the protective system under this cry is likely to continue to an indefinite period.

The former or temporary protection system has then been given a tangent which has rendered the temporary a permanent or perpetual system.

Can we then safely permit this system to continue? By no means. What then; shall we abolish it and in its stead have free trade? As a matter of fairness it would be but just to consider the subject from the point of view now held by a large number of voters who are of the opinion that protection should prevail; who hold that protection is politic and consistent with the economic and political welfare of this nation; who object not to protection but to an unjust and one-sided protection; who object and protest against protection of manufacture so long as this is done at the expense of agriculture. These maintain that free trade would not alone lower our wage rate down to the European, but presently to the Asiatic level as well.

There is no sentiment in hooks and eyes or pants buttons or matches. Price and price alone determines who shall have the job of making them and at what wages they shall be made.

It is true that workingmen in our country are more skilled and have an advantage over those in Europe or Asia, but only so long as the

European or Asiatic does his work by hand, and our workingmen operate an almost automatic machine. But how does it stand when the machine is in the hands of the European and Asiatic? Who, then, under free trade, is entitled to the job? To say that free-trade England is not injured by this competition is not true. England is beginning to be injured in certain lines of manufactures by reason of the employment of machinery in cheap-labor countries.

For example, she has lost the industry of jute bags, formerly made in Inverness and Dundee. This has now gone to India. She has lost the sale of 71 per cent of the cotton yarns now made in Japan, formerly produced in England. Facts are at hand which make it safe to predict that the Asiatic will not alone supply his home needs in manufactures, but that in the near future the Asiatic surplus will find its way into Manchester unless kept out by protection.

Free trade had many weighty considerations in its favor during the time of Webster, Gallatin, and Cobden, but has it to-day?

Besides, the present social, political, and economical conditions of other nations are such as to preclude any effort on our part toward a general level at this time. We must also take into consideration that the United States is not alone a political fact, but has likewise a political mission. The bent and genius of our institutions can best be directed under a policy of isolation which protection gives us.

It may also be said that free trade, by the development of our foreign commerce, would bring with it foreign tendencies and lead us in the tenor of England.

There are those who predict that under free trade our furnaces would be shut down, our looms would be idle, our factories closed, and our industries paralyzed.

There does not seem to be any just ground for such a prediction, for we have seen that a lowering of the protective tariff has caused greater exportation of manufactures. It may be safer to predict that free trade would multiply labor and greatly increase production. Would this then not increase the wage rate? No; on the contrary, the free valuation by open competition of like productions by the cheap-labor countries and in the general employment of our machinery everywhere would level the wage rate to the world's general level. Wealth would increase in the hands of the few; wages would decline to the level of the world. Under such a condition the ideal standard of the Republic would soon become obsolete, would become a curiosity in the libraries. The Republic of the United States would then take rank with Carthage before the Punic wars. Commercialism will then have swallowed up patriotism, and thus end the national drama by our finally becoming what Carthage was after the second Punic war.

However, that which may properly be said in favor of protection applies only to a protection system which is just and equitable.

As a temporary measure it may have been politic and expedient to protect manufacture at the expense of agriculture. When, however, protection for manufacture at the expense of agriculture is intended as a permanent condition, it is expedient to insist upon its cessation or for the adoption of that additional mode of protection which shall likewise effectually protect agriculture so long as manufactures are protected.

To do less than this at this time is to crush agriculture, for what can do this more effectually than lowering world's prices for agricultural staples on the one hand and the maintenance of high protection for manufactures on the other.

Protectionists insist that the continuation of the present protective system must in the near future bring us a return of prosperity which high protection once gave us. These forget to take into consideration that agricultural prosperity made general prosperity possible. They forget to take into consideration the New World condition which has permanently lowered the price of agricultural staples.

Their position can best be understood by the following illustration:

A bank safe set to a certain combination is readily opened by the use of that combination. Should the combination be changed, it can no longer be opened by the former numbers, but only by the new combination.

Now, what the new combination is for the safe the New World condition affecting the prices of agricultural staples is to the present protective system. It will no longer work.

The protective system must therefore be changed to meet the New World condition of agricultural staples, or it must be abolished. If it is to be changed to meet the New World condition, this change must be effected by granting an equal measure of real actual protection to agriculture so long as it is given to manufacture. This is what we demand, and this can only be had for agricultural staples by an export bounty.

An export bounty on agricultural staples will do for this industry what a tariff on imports does for manufactures. It will do no more and no less, and in doing so will equalize and make just our present unjust and unequal protective system.

Quite a number of critics who agree with our conclusions object to the remedy offered, claiming an export bounty to be impracticable.

We have given these objections thorough and impartial examination, and have found none of them valid.

The limited space of this paper prevents a review of the objections and answers.

These have been printed in a number of pamphlets, and were extensively circulated, copies of which can be had free of charge by addressing Mr. David Lubin, of Sacramento, Cal., and at present residing at 1722 North Eighth street, Philadelphia, Pa.

Some recent critics base their objection to protection for agricultural staples by an export bounty on the ground that this system is objectionable in Germany, France, Austria, and Russia on sugar. These objections are, however, based on no foundation in fact, and are mostly inspired by those unfamiliar with the real conditions of sugar production.

Up to within a short time ago the bulk of the sugar production was from sugar cane and cane from Hawaii and the West Indies, where this industry naturally belongs.

Discoveries made for extracting sugar from beets caused an endeavor to produce it in European countries, but without success, as they could not compete with the cane-growing countries. To overcome this they established protection for this industry in the several European countries named by an export bounty, and what is the result? Sugar-cane growing is no longer profitable in Hawaii, the West India Islands are almost driven into bankruptcy, and Cuba was forced into revolution.

During all this time, however, the European countries are employing hundreds of thousands of acres of land in the production of sugar beets, and to much better advantage than it could be done by any other tillage.

It is true that there are numbers of free traders in Europe who are clamoring for the abolition of all protection, and among this the export

bounty on sugar. But so long as the European countries find it advantageous and profitable to raise sugar beets, and so long as they realize that they can not do this without protection by an export bounty, then so long will the export bounty prevail there.

This very action of the European countries on the export sugar bounty but tends to illustrate the difference between the action of the law makers of Europe and of the United States in so far as it relates to agriculture. In the European protection countries the protective system is not alone designed for the protection of manufactures but applies equally on agriculture, as is amply evidenced in the restrictive act against our breadstuffs, and on other agricultural products in so far as it relates to imports. When, however, they produce an agricultural product in excess of its home need they protect it by an export bounty. Protection in the European countries is therefore intended to be just and equitable as between manufacture and agriculture.

The United States is the only progressive country in the world which by its protective system discriminates against its agriculture by a protective system which in its operation tends to shear the farmers of the nation of the greater portion of their legitimate profits.

To continue a system of this kind is not alone a stupendous injustice but must react disastrously on the injuring party in the end. The injuring party may shut its eyes and close its ears to justice and equity. The last Presidential campaign may not have been object lesson enough for it. It may want to try it again at another campaign when Democrat and Republican shall not fly into each others arms.

One-sided protectionists have yet to learn that the right path to wealth is the narrow one of honesty and integrity. They have yet to learn that the time has passed when they may seat themselves at the table of the conservative farmers of the nation and eat the produce of these farmers' toil without let or hindrance and without equivalent compensation. Protectionists who favor perpetual protection of manufactures at the expense of agriculture are willful devourers of that for which they neither toiled nor produced.

If taxing agriculture by protection to manufacture was deemed by Daniel Webster in 1824 a dangerous measure, what severer term may now be used to designate this same measure keyed up to the civil war pitch on the one hand, and with agricultural machinery in the cheap land and labor countries lowering the farmer's home price to the present low world's price on the other?

We can well understand that the most destructive and reactionary economic system possible is one which lowers the price of agriculture and at the same time artificially raises the price of manufacture.

Such a system is now in operation, and should it continue?

Does free trade offer sufficient objections for its rejection?

Then let us have protection. Protection that shall be just and equitable alike to manufacture and to agriculture. If we are to protect one by a tariff on imports we must then protect the other by a bounty on exports.

This or free trade will give agriculture the justice and equity it is entitled to.

Respectfully submitted.

LEGISLATIVE COMMITTEE PENNSYLVANIA STATE GRANGE,
LEONARD RHONE, *Chairman*.

WEIGHING THE MAIL UPON THE SEABOARD AIR LINE
IN 1896.

MARCH 2, 1897.—Laid on the table and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE POSTMASTER-GENERAL, TRANSMITTING, IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 23, 1897, A COPY OF THE REPORTS OF THE AGENTS OF THE POST-OFFICE DEPARTMENT, AND OTHER CORRESPONDENCE IN RELATION TO THE WEIGHING OF THE MAIL UPON THE SEABOARD AIR LINE IN 1896.

POST-OFFICE DEPARTMENT,
OFFICE OF THE POSTMASTER-GENERAL,
Washington, D. C., March 2, 1897.

SIR: I have the honor to transmit herewith the papers called for by the resolution of the Senate of February 23, 1897, directing the Postmaster-General to send to the Senate:

A copy of the reports of the agents of the Post-Office Department in relation to the weighing the mail upon the Seaboard Air Line in 1896; also a copy of all correspondence between the Department and the officers of said railroad company, and a copy of all correspondence between the Post-Office Department and the Attorney-General in relation thereto.

It may not be amiss for me to add, in view of statements recently made, as these papers themselves will show, that it is almost impossible for a railroad company to pad the mails during the weighing season without being detected. All such mails must necessarily pass through the hands of postmasters and clerks in post-office buildings, through the hands of railway-postal clerks, transfer clerks, and others connected with the service who, as experts, are very quick to detect anything unusual in the weight and kind of mail matter. All mail matter diverted from its proper line or not usually shipped by the line being weighed and transmitted so as to increase the weights only, is naturally and immediately detected. The Department exercises a very watchful supervision over the weighing of mails and gives to its various officials careful instructions as to their own vigilance during the weighing season. The action on the part of the Seaboard Air Line officials, referred to in these papers, was promptly detected, reported and carefully investigated, as is shown by the attached papers.

I beg leave to call attention to the fact that the Attorney-General, in his letter of December 22, 1896, holds that the only criminal statute under which prosecution can be attempted for such offenses as these is the statute against conspiracies to defraud the United States, and that it was found impossible under that statute to bring to justice the chief offender in this case. The Attorney-General further says that he has

in his annual report called the attention of Congress to this defect in our legislation. In my own annual report of date November 20, 1896, in referring to such cases, I have said:

Existing statutes, however, are so defective that some changes in the criminal law are imperatively necessary to insure the conviction and adequate punishment of those who attempt or who perpetrate such frauds on the Government.

I have the honor to be, very respectfully, yours,

WM. L. WILSON,
Postmaster-General.

The VICE-PRESIDENT OF THE UNITED STATES.

SEABOARD AIR LINE RAILROAD COMPANY CASE.

Copy of reports of agents of Post-Office Department, postmasters, mail weighers, Railway Mail Service officers and employees, the correspondence of and with the officers and attorneys for the company, and the Attorney-General, etc., sent to the United States Senate in response to its resolution of February 23, 1897.

POST-OFFICE INSPECTORS' REPORTS.

[Papers referred to in the various reports of the post-office inspectors, where they were not attached to, or do not follow the reports in which they are mentioned, will be found among the copies of papers classified as "Reports from officers and employees of the Railway Mail Service," or "Reports from postmasters." The papers referred to as exhibits in the reports of April 11 and May 5, 1897, follow their respective reports in regular order.]

POST-OFFICE DEPARTMENT,
OFFICE OF POST-OFFICE INSPECTORS, WASHINGTON DIVISION,
Washington, D. C., March 28, 1896.

SIR: These papers from Superintendent Vickery and others relate to the two cases I sent you on yesterday in reference to the weighing of the mails. Please make these cases special and give them your best efforts, as you will see they are very important and demand as prompt attention as is possible.

Cases Nos. 210382 and 210383 C.

Very respectfully,

T. M. ARRINGTON,
Inspector in Charge.

H. T. GREGORY,
Post-office Inspector, Greensboro, N. C.

POST-OFFICE DEPARTMENT,
OFFICE OF POST-OFFICE INSPECTORS, WASHINGTON DIVISION,
Washington, D. C., March 31, 1896.

SIR: These two cases refer to the weighing of the mails by the Seaboard Air Line Railroad, which weighing has been continued for thirty days. It is desired that you give these cases thorough and special attention, as they are very important.

Very respectfully,

T. M. ARRINGTON, *Inspector in Charge.*

H. T. GREGORY,
Post-Office Inspector, Greensboro, N. C.

Cases 210382 and 210383 C have been sent to you.

[Case No. 210382 C. D. 210382 C.]

POST-OFFICE DEPARTMENT,
OFFICE OF POST-OFFICE INSPECTOR,
Newbern, N. C., April 1, 1896.

DEAR SIR: March 31 I received at Kinston, N. C., the two above-numbered cases and papers connected therewith. Was detained at Kinston to-day on account of an examination before United States Commissioner A. J. Lofton. Your letter of March 28 states the cases are very important and demand as prompt attention as possible;

hence I will proceed at once (first train to-morrow) to enter upon the investigation. Am sorry I could not begin earlier. I will be glad if you will specially instruct me as to the manner of investigation that you desire, as I do not know just what is wanted. My idea is to visit the various stations along the Seaboard Air Line Railroad, at which quantities of this matter has been received, but of course this will take considerable time, so please inform me if you have different plans.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

T. M. ARRINGTON, Esq.,
Post-Office Inspector in Charge, Washington, D. C.

POST-OFFICE DEPARTMENT,
OFFICE OF INSPECTOR IN CHARGE WASHINGTON DIVISION,
Washington, D. C., April 4, 1896.

Respectfully returned to Inspector Gregory with the request that he continue his investigations on the lines indicated and make it as thorough as possible.

I have conferred with the Second Assistant Postmaster-General and he wishes this done.

When the investigation is concluded by you one report of the whole matter will be best.

Make it as strong, covering all the facts, but do not make it any longer than necessary, at the same time go into particulars.

You can understand the reason for a thorough investigation, as it is thought the mails are being padded for the purpose of increasing the pay of the railroads and upon this point we desire to be fully informed.

You can file these letters with the cases.

T. M. ARRINGTON,
Inspector in Charge.

[Case No. 210382 C and 210383 C.]

POST-OFFICE DEPARTMENT,
OFFICE OF POST-OFFICE INSPECTOR,
Weldon, N. C., April 2, 1896.

DEAR SIR: I wrote you this morning from Newbern, N. C., requesting instructions as to the line of investigation you desired to follow regarding the above-numbered cases. I reached Weldon this afternoon and have interviewed the transfer clerk at Weldon, N. C., also one of the four mail weighers between Weldon, N. C., and Monroe, N. C.; I leave Weldon, N. C., at 3 a. m. on train 403 for Raleigh, N. C.; will leave Raleigh, N. C., about 11.30 a. m. on train 38 for Henderson, N. C.; will leave Henderson, N. C., about 2 p. m. on train 41 for Monroe, N. C. In this manner I will see all the mail weighers and visit a few of the towns. Mr. F. B. Glenn told me of a telegram and letter of instructions from Mr. C. W. Vickery, superintendent, dated since these cases were made up, hence it may be that you will not care for me to push the investigation any further as it has been decided to have a new weighing of the mails on the Seaboard Air Line Railroad; the substance of a telegram sent to transfer clerk, Weldon, N. C., by Mr. C. W. Vickery, superintendent, was as follows: "I instruct all clerks and mail weighers on Seaboard Air Line Railroad to continue weighing mail until further notice." I reproduce letter of instruction to Mail Weigher F. B. Glenn:

WASHINGTON, D. C., *April 1, 1896.*

SIR: In connection with my telegram of yesterday, you are further advised that the weighing of mails on the Seaboard Air Line has been extended thirty days longer. Consequently, you will continue on your regular run and weigh mail as heretofore. Later on you will be informed definitely as to the exact date on which the weighing will be completed.

Acknowledge receipt of letter.

Very respectfully,

C. W. VICKERY,
Superintendent.

F. B. GLENN, Esq.,
Mail Weigher, Weldon, N. C.

In case you do not care for me to continue the investigation, wire me at Weldon, N. C., care of transfer clerk, up to 11 a. m. (it will be forwarded to me by clerk on train 41). After 11 a. m. and up to 3 p. m. you can catch me by a dispatch to Raleigh, N. C., care of transfer clerk, and after 3 p. m. to Monroe, N. C. The mail is not being weighed east of Weldon, N. C., on the Seaboard Air Line, yet sacks of these documents have been sent to agents of the Seaboard Air Line, east of Weldon, to be dispatched by west-bound trains to their destination. If it is your desire that I should continue this investigation, please write me immediately to Weldon, N. C.,

care of the transfer clerk, as to whether I shall visit each station at which sacks of these documents have been discharged, or shall I only visit a portion of these stations; also, please instruct me as to whether you desire a special report regarding each station, or a general report on each of the two jacketed cases, or a separate report regarding each special report that was forwarded to me.

Very respectfully,

H. T. GREGORY,
Post-Office Inspector.

T. M. ARRINGTON, Esq.,
Post-Office Inspector in Charge, Washington, D. C.

[Case No. 210382 C and 210383 C.]

POST-OFFICE DEPARTMENT,
OFFICE OF POST-OFFICE INSPECTOR,
Wilmington, N. C., April 11, 1896.

DEAR SIR: April 3, 4, 6, and 7, 1896, I investigated the above-numbered cases over the Seaboard Air Line Railroad system, interviewing railway postal clerks, mail weighers, transfer clerks, postmasters, and railroad agents. I made personal visits to the more important towns, while as to the smaller stations my practice was to go over the route in postal car and place a note in letter package for each office located on the railroad at which there was a railroad agent, requesting the postmaster to furnish me a written statement regarding the handling of public documents at his office; also to meet me on the return train, in order that he might personally corroborate his written statement. The statement requested was: The number of sacks of documents received during the three previous weeks; by whom franked; to whom addressed; whether to railroad agent; did he remail them, if so, to what States; to furnish me, if possible, with the original tags, specimen labels used in remailing, and the name of railroad official by whom the labels and instructions were furnished. A majority of the postmasters met me personally at other stations; interviewed assistant postmasters and railroad agents. I received a written statement from nearly every office, showing that two to four sacks of public documents were sent to nearly every station agent on the Seaboard Air Line Railroad, and they were instructed by their superior officers to remail (usually to South Carolina and Georgia) by writing addresses from lists furnished, or pasting on the books franked labels, received in railroad mail. A few of the station agents not understanding their instructions as to the distribution, and before labels or lists were furnished them, gave out by public distribution all, or a portion of the documents sent them, the tags on sacks being addressed "all for ——— (railroad agent)" and their books bearing no addresses; a few sacks of the books were franked by A. C. Lattimer, M. C., while the large majority of them bore the frank of J. B. Gordon, U. S. S. The general distribution appears to have been directed by General Superintendent V. E. McBee, while labels and instructions were furnished over different portions of the system by Division Superintendents T. W. Whisnant and William Moncure, Roadmasters D. G. Porter (Portsmouth to Weldon), J. T. Elmore (Weldon to Raleigh), and William Sommersett (Hamlet to Rutherfordton).

The evidence I have obtained I have arranged as follows: Exhibit A, weight card, showing number of sacks received at each station; Exhibit B, statements of postmasters and agents between Rutherfordton and Hamlet; Exhibit C, statements of postmasters and agents between Hamlet and Weldon; Exhibit D, statements of postmasters and agents between Portsmouth and Weldon; Exhibit E, statements of mail weighers; Exhibit F, Seaboard Air Line shipping tags taken from two sacks, also two labels from books in sacks at Weldon, N. C.; Exhibit G, Ellenboro Enterprise; also article cut from their entire issue by direction of Superintendent Moncure; Exhibit H, franked labels sent to E. Rowls, agent Seaboard Air Line, Carsville, Va., in railroad mail; Exhibit I, franked labels sent to C. F. Reid, agent Seaboard Air Line, Wake Forest, N. C., in railroad mail; Exhibit J, franked labels sent to J. L. Reid, agent Seaboard Air Line, Kittrell, N. C., in railroad mail; Exhibit K, franked labels sent to R. F. Keeling, agent Seaboard Air Line, Gumberry, N. C., in railroad mail; Exhibit L, franks on books sent to J. D. Abbitt, agent Seaboard Air Line, Handsom, Va., in railroad mail; Exhibit M, franked labels sent to Paul Ellit, agent Seaboard Air Line, Seaboard, N. C., in railroad mail; Exhibit N, franked labels sent to A. L. Smart, agent Seaboard Air Line, Bostie, N. C., in railroad mail; Exhibit O, franked labels and list sent to J. J. Benn, agent Seaboard Air Line, South Gaston, N. C., in railroad mail; Exhibit P, weight cards of G. F. Taylor, showing increased weight, owing to public documents; Exhibit Q, thirty tags that were used as labels on some of the sacks of public documents (large portion of them had been misplaced, destroyed, or reused); labels show that sacks were addressed "via Weldon, Seaboard Air Line Railroad."

A. J. Kline, mail weigher, Weldon to Monroe, on March 19, train 41, took on at Weldon 10 sacks of documents addressed to local stations. On March 21 and 23 handled several sacks of documents, taken on at local stations, addressed to South Carolina and Georgia.

F. B. Glenn, mail weigher, Weldon to Monroe, March 22, train 403, took on 5,975 pounds of documents, which were brought to Richmond, Va., by Washington and Charleston train 35 and Seaboard Air Line train 403; March 19 he took on 950 pounds of documents at Weldon, N. C., all of these sacks being addressed to stations on Seaboard Air Line Railroad.

A. R. Graybill, mail weigher, Weldon to Monroe, March 22, train 41, took on at Weldon 2,000 pounds of documents addressed to local stations. He picked up at local stations sacks of documents addressed to Georgia and South Carolina, as follows: March 24, train 41, 3,100 pounds; March 26, train 41, 1,300 pounds; March 28, train 41, 600 pounds.

G. F. Taylor, mail weigher, Weldon to Monroe, on March 24, train 38, took on, at Apex, N. C., 300 pounds addressed to stations on Seaboard Air Line Railroad, in North Carolina and Virginia. On Sunday, March 8, train 38, from Monroe to Weldon, he took on 1,314 pounds of mail and put off 990 pounds. On Sunday, March 22, train 38, he took on 4,383 pounds of mail and put off 3,840 pounds. Public documents were handled on the last date, otherwise he does not believe the mail was any heavier than on former date, hence believes he took on about 3,069 pounds of documents and put off about 2,850 pounds.

R. B. Neal, mail weigher, Monroe to Rutherfordton, could not tell how many sacks or pounds of documents he had put off at eight stations on his route on March 21 and 22; but, on March 24 and 25, he took on at these stations, addressed to Georgia (which were turned into Charlotte, N. C., post-office), 1,266 pounds of documents (some were distributed by agents, not being remailed).

J. M. Bancum, mail weigher, Hamlet to Cheraw, on March 19, 23, 24, 27, 28, and 30, handled 1,363 pounds of documents, taken on and put off at various stations on his route.

W. H. Thomas, railway postal clerk, Wilmington and Hamlet railway post-office, on March 21 and 23 received 2 sacks addressed to Laurel Hill and 2 sacks addressed to Laurinburg, all of which were remailed, addressed to Georgia, making a total weighing of near 1,000 pounds.

Capt. J. R. Renn (conductor and postal clerk), between Henderson and Durham, during the weighing of mails, latter part of March, received public documents as follows: At Durham, N. C., 1 sack for Creedmore; at Henderson, N. C., 4 sacks, 2 for Clay and 2 for Watkins; all of which were remailed and sent to Henderson (addressed to Georgia and South Carolina).

Transfer Clerk J. W. Sledge, Weldon, N. C., stated that the 5,600 pounds of documents reported by Clerk C. H. Woltz, train 35, March 21, were carried by Weldon (being forgotten by the clerks), were put off at Rocky Mount, N. C., and returned in baggage car of train 78 on day following; all were addressed to agents on Seaboard Air Line Railroad, and were dispatched from Weldon on train 41, March 23, and train 403, March 24; during the latter part of March train 23 brought to Weldon, almost daily, sacks of documents for points on Seaboard Air Line Railroad east and west of Weldon; had no knowledge of those passing through on 402, Seaboard Air Line Railroad, to points east of Weldon, as he does not meet that train.

T. J. Murphy, railway postal clerk, Norfolk and Rutherfordton, had handled 6 or 8 sacks of documents from Georgia addressed to points on Seaboard Air Line Railroad in Virginia.

T. E. Battley, railway postal clerk, Norfolk and Rutherfordton, on March 25, train 41, took on 6 sacks of documents at stations between Portsmouth and Weldon; on March 27, train 41, received at Portsmouth, Va. (from train 402), 2 sacks of documents labeled to his line, made up by clerks on Monroe and Atlanta, having been relabeled in Georgia or South Carolina.

W. H. Place, railway postal clerk, Norfolk and Rutherfordton, received at Portsmouth, near close of March, on train 41, 12 sacks of documents addressed to points in South Carolina and Georgia.

O. G. Womble, railway postal clerk, Norfolk and Rutherfordton, during the weighing season received at Weldon several sacks of documents addressed to points between Weldon and Portsmouth; on other days he received at these local stations sacks addressed to Georgia.

J. M. Hull, railway postal clerk, Monroe and Atlanta railway post-office, received at Atlanta, one Sunday during the latter part of March, 3,200 pounds of documents for points on Seaboard Air Line Railroad in South Carolina, North Carolina, and Virginia.

L. M. Hull, mail weigher, Monroe and Atlanta, during the weighing, received at Chester, S. C., 300 pounds of documents and 1,000 pounds at Clinton, S. C., all for points on Seaboard Air Line Railroad.

F. T. Bizzell, railway postal clerk, Monroe and Atlanta, during March received 2 sacks of documents at Winder, Ga., addressed to Portsmouth, Va., and received sacks to and from other local stations.

J. E. Eubanks, railway postal clerk, Monroe and Atlanta, during latter half of March, usually received 500 to 3,000 pounds of documents each trip at stations on Seaboard Air Line Railroad, some addressed to stations on different portions of the route, while a portion were addressed to General Superintendent E. V. McBee, Portsmouth, Va. Each night at Atlanta, Ga., a negro employed by Seaboard Air Line Railroad brought to car of Monroe and Atlanta about 100 pounds of documents for points in North Carolina, Virginia, Georgia, and Alabama, a portion of which would have to be turned back at meeting point on the return train. On April 3 he received at Laurenceville, Ga., 167 pounds of document. On April 4, train 38, I personally examined 143 pounds of these documents, which were addressed to individuals at stations between Weldon, N. C., and Portsmouth, Va.

Joseph Young, transfer clerk, Charlotte, N. C., informed me that about March 21 he received from Washington and Charlotte train 37 a stall of sacks of documents addressed to agents at stations on Seaboard Air Line Railroad west of Charlotte. The tags were plainly marked "via Weldon, Seaboard Air Line," but were not so dispatched from Washington.

H. T. Rollins, railway postal clerk, Norfolk and Rutherfordton, on March 21 and 22 put off several sacks of documents between Monroe and Rutherfordton, which sacks were picked up on 24th and 25th by J. Y. Weddington, railway postal clerk, Norfolk and Rutherfordton, being relabeled to Georgia.

All of the documents referred to by the clerks and weighers, so far as they could remember, bore the frank of J. B. Gordon, United States Senate, except a few sacks franked by A. C. Lattimer.

Exhibit A shows 236 or 243 sacks of public documents received at different stations on Seaboard Air Line Railroad to be remailed.

Statement of postmaster, Forest City, N. C., labels and instructions for remailing furnished by Somerset, roadmaster.

At Ellenboro, N. C., Superintendent Moncure had editor of the Enterprise to cut from his paper article referring to weighing of mails, Exhibit G.

From certain stations I have no written statements, the information being furnished me orally, as follows: Counsel, railroad agent, Rutherfordton, N. C., stated that he received 2 sacks of documents, labels in railroad mail and remailed to offices in Georgia. Charlotte, N. C., I was shown 10 sacks of documents in the post-office which were addressed to Georgia, were turned in from various stations on Seaboard Air Line Railroad west of Charlotte, and held until weighing of mail was discontinued on Southern Railroad before being dispatched, by instructions from the postmaster.

Postmaster, Monroe, N. C., stated that 4 sacks were received by S. W. Parham, railroad agent, and remailed to Georgia. I was also shown loose documents to the extent of 2 sacks addressed to different individuals at Monroe, being franked by General Gordon, and received in different mails. At Hamlet I learned from postmaster and Mail Weigher Bancom that sacks of documents addressed to railroad agent were relabeled to agents on Hamlet and Cheraw Railroad, labeled to Georgia and relabeled to agent at Hamlet. Superintendent Moncure furnished list to railroad agent at Southern Pines for addressing documents sent to him. Railroad agent at Manley, N. C., stated that 3 sacks were sent to him and he remailed to Georgia. Railroad agent and postmaster at Merry Oaks stated that 3 sacks were received and remailed. Postmaster at Newhill stated that 1 sack was received. Transfer Clerk Lumsden and post-office clerk at Raleigh, N. C., stated that 3 sacks were received by Freight Agent Allen. He preferred not to give me any information; would not say whether they were remailed. Railroad agent at Millbrook stated that 4 sacks were received and remailed, labels furnished by Roadmaster Elmore. Railroad agent at Neuse stated that he received 2 sacks and remailed; labels from Elmore. Postmaster at Franklinton, N. C., saw 1 sack for Railroad Agent Cheatham; on being opened books were found to be addressed to Georgia and so forwarded. Postmaster at Henderson stated that 2 sacks were received by Railroad Agent Macy and remailed. Mr. Macy laughed when I approached him, and preferred not to be interviewed. Railroad Agent Watkins, also postmaster at Middleburg, stated that he received 3 sacks and remailed; labels received in railroad mail.

Railroad agent at Warren Plains, N. C., stated that he received 4 sacks and remailed; labels received in railroad mail; Weldon, N. C., 2 sacks addressed to that office, seen by me, labeled to individuals. Fifteen sacks were received at Portsmouth, Va., addressed to General Superintendent E. V. McBee; postmaster went to station and examined them. Mail Messenger Tom Riddick informed postmaster and myself that these sacks arrived on train 38. Superintendent T. W. Whisnant and the chief clerk of General Superintendent McBee relabeled them that night and forwarded by train 41 next day.

At Portsmouth post-office I was shown several public documents franked by Gen.

J. B. Gordon, and informed that 3 sacks of them were received, addressed to various individuals at that office. The sacks came in on express train 402, having been forwarded from some point south of Weldon, N. C.

Shortly before completing my investigation I was informed at Franklin, Va., and another station near there, that Supt. T. W. Whisnant had wired that if postmaster, or anyone else, asked any information concerning the documents to refer them to him. On reaching Portsmouth (having left that office several hours previous) I made myself known to Superintendent Whisnant, stating I thought perhaps he might want to see me and that perhaps there was something special he might want to tell me. He replied that he had nothing special to tell me; that he understood some Congressmen had sent some documents over their line, just as they had done over other lines, which he believed they had a perfect right to do, and that the documents were properly franked, hence it was all legitimate. He did not care to be further interviewed, hence I withdrew without questioning him further.

As some of the railroad agents are also postmasters at small stations, and others were also very frank in furnishing me information, I assured them that it would not be used to injure them with their company, hence I presume they will be protected so far as their company is concerned. The information and evidence I have obtained is respectfully submitted for the information of the Department as to whether there has been any padding of the mails by the Seaboard Air Line Railroad Company.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

T. R. Robertson, postmaster, Charlotte, N. C., gave it as his opinion that General Superintendent E. V. McBee, Seaboard Air Line Railroad, engineered the whole scheme regarding the public documents. On one day while his private car was attached to the train, at some point between Weldon and Monroe, he sent one of his officers to the postal car to request Railway Postal Clerk A. W. Calvin to come back to his private car, as he wished to see him; the officer also inquired of Calvin how the mail was running, whether heavy or not; from Washington correspondent of the Charlotte Observer, it was noticed that before and after the weighing of mails was commenced on the Seaboard Air Line Railroad that General Superintendent McBee was in Washington very often. It is also said that this shipment of public documents was carried on over the Western North Carolina Railroad while Mr. McBee was superintendent of that division. It was noticed by the railway postal clerks that while the books were being handled that Division Superintendents Whisnant and Moncure and Roadmaster Sommersett came about their car quite often to look in and perhaps speak of the mails.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

T. M. ARRINGTON, Esq.,

Post-Office Inspector in Charge, Washington, D. C.

EXHIBITS REFERRED TO IN REPORT OF APRIL 11, 1896.

EXHIBIT A.

SEABOARD AIR LINE.

Showing number of sacks of public documents put off at various stations which have been acknowledged by postmaster or agent on routes Nos. 118001, 118003, and 118010, between Weldon and Rutherfordton, N. C., and other portions of Seaboard Air Line Railroad system, March, 1896.

Stations.	Number of sacks.	To whom addressed.	Stations.	Number of sacks.	To whom addressed.
Weldon	2	Railroad employees.	Franklinton.....	1	Individuals in Georgia.
Roanoke Rapids <i>a</i>.....	.....		Youngsville.....	3	Railroad agent.
South Gaston	3	Railroad agent.	Wake Forest.....	3	Do.
Littleton	3	Do.	Forestville.....	3	Do.
Vaughan.....	2	Do.	Wyatt <i>a</i>.....	.....	
Macon	2	Do.	Neuse	2	Do.
Warren Plains	3 or 4	Do.	Millbrook.....	4	Do.
Ridgeway.....	4	Do.	Raleigh	3	Do.
Manson	2	Do.	Method <i>a</i>.....	.....	
Middleburg.....	3	Do.	Cary	2	Do.
Greystone.....	3	Do.	Apex.....	3 or 4	Do.
Henderson	2	Do.	Newhill.....	1	Do.
Kittrell	3	Do.	Merryoaks.....	3	Do.

a No station agent.

Showing number of sacks of public documents put off at various stations, etc.—Cont'd.

Stations.	Num-ber of sacks.	To whom ad-dressed.	Stations.	Num-ber of sacks.	To whom ad-dressed.
Haywood <i>a</i> .....	.....	Railroad gent .	Branchville, Va	4	Railroad agent
Moncure	3		Boykins, Va	3	Do.
Osgood	None.		Newsom, Va	4 or 6	Do.
Colon	3	Do.	Handsom, Va	3	Do.
Sanford	4 or 5	Do.	Delaware, Va. <i>d</i> .....	.....	.....
Lemon Springs <i>a</i> .....	.....	Do.	Franklin, Va	6	Do.
Cameron	4		Carrsville, Va	3	Do.
Vass <i>b</i> .....	.....		Buckhorn, Va. <i>d</i> .....	.....	.....
Manly	3	Do.	Kirby, Va	3	To individuals.
Southern Pines	3	Do.	Suffolk, Va	2 or 3	Railroad agent.
Aberdeen	3	Do.	Magnolia, Va	2	Do.
Pinebluff	None.	Do.	Bowershill, Va	2	Do.
Keyser	3		Portsmouth, Va	15	General superin- tendent, V. E McBee.
Hoffman	None.		<i>Boykins and Lewiston R. P. O.</i>		
Hamlet	5	Do.	Murfreesboro, N. C	3	Railroad agent.
Rockingham	4	Do.	Rich Square, N. C	3	Do.
Peedee	4	Do.	Lewiston, N. C	3	Do.
Lilesville	4	Do.	Roxabel, N. C	3	Do.
Wadesboro	<i>c</i> None	Do.	<i>Henderson and Dur- ham R. P. O.</i>		
Polkton	2		Durham, N. C	1	Railroad agent, Creedmore.
Peachland	3		Creedmore	1	Railroad agent.
Marshville	None.	Do.	Watkins	2	Do.
Ames <i>a</i> .....	.....		Clay	2	Do.
Monroe	4		Henderson	4	Railroad agent at Clay and Watkins.
Indiantrail <i>a</i> .....	.....	Do.	<i>Wilmington and Ham- let R. P. O.</i>		
Matthews	3		Laurinburg, N. C	2	Railroad agent.
Sardis <i>a</i> .....	.....		Laurelhill, N. C	2	Do.
Charlotte	None.	Do.	<i>Hamlet and Cheraw R. R.</i>		
Sago <i>a</i> .....	.....		Hamlet, N. C	8	Do.
Sandifer	None.		Osborne, N. C	2	Do.
Pawcreek <i>a</i> .....	.....	Do.	Kollock, S. C	2	Do.
Alexis <i>a</i> .....	.....		Cheraw, S. C	3	Do.
Mount Holly	5		Total..... { 236 or 243		
Iron Station .....	.....	Do.			
Stanley	1 or 3				
Lincolnton	None.				
Crouse <i>a</i> .....	.....	Do.			
Cherryville	3				
Waco	None.				
Stubbs <i>a</i> .....	.....	Do.			
Shelby	None.				
Lattimore	None.				
Moorestboro	None.	Do.			
Ellenboro	5				
Bostic	4				
Forest City	3	Do.			
Rutherfordton	2	Do.			
Garysburg, N. C	None	Do.			
Gumberry, N. C	4	Do.			
Seaboard, N. C	3	Do.			
Margarettsville, N. C	3	Do.			

a No station agent.

b Few copies; no station agent.

c Few copies.

d No reply.

236 or 243 sacks of public documents put off at various stations on Seaboard Air Line Railroad system to be labeled and remailed to other points. In addition to these 3 other sacks were received at Portsmouth, Va.

EXHIBIT B.

Statement of railroad agents and postmasters between Hamlet, N. C., and Rutherfordton, N. C., as to number and treatment of sacks of public documents received at their stations.

Mr. H. T. GREGORY, Post-Office Inspector:

There were three sacks of public documents received at this office, by whom franked I do not know. Addressed to Frank King, railroad agent; he remailed to Georgia. I can't get any of the labels.

Agent says Summersett, one of the railroad officials, sent him the instruction and labels.

Respectfully,

(Mrs.) S. J. DAVIS,
Postmaster, Forest City, N. C.

POLKTON, N. C., *April 3, 1896.*

DEAR SIR: I received 1 sack of books, mark to J. E. Carter and all for J. B. Gordon, Polkton, N. C.

J. P. BILLINGSLEY, *Postmaster.*

WADESBORO, N. C., *April 3, 1896.*

Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: I don't know of any sacks of public documents received at this office in the last three weeks. There has been a lot of sacks labeled to different post-offices on the star routes, but I think they were circulars, as per one of the labels inclosed. We did receive along in January, I think, one sack of public documents labeled to the postmaster with no names on the books. We have them here now, 18 or 20 books. We have never received instructions as to what to do with them, they are such as Commerce and Navigation of the United States, etc., and several such from some of the star route offices. But we have not received any that we know during the last three weeks. I do not think I can be at the train as that is my busiest time and I could not give any more information than I have.

Very respectfully,

J. A. LITTLE, *Postmaster.*

ROCKINGHAM POST-OFFICE, *April 3, 1896.*

Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: In reply to your questions of last evening I beg to say that some days ago three or four bags of documents came direct to Mr. Thompson, railroad agent at this place. They were never opened by this office, hence I know nothing of the information you desire. Perhaps I may be able to give you such information in the forenoon, at which time I hope to see you.

With best regards, I am, very truly, etc.,

W. E. HARRISON, *Postmaster.*

Postmaster on arrival at depot learned that agent had received 4 sacks, which he had remailed to Georgia post-offices, and so informed Inspector Gregory.

PEACHLAND, N. C., *April 4, 1896.*

Mr. H. T. GREGORY.

DEAR SIR: There have been 3 sacks public documents received at this office from J. B. Gordon to W. D. C. Gathings, agent Seaboard Air Line.

Labels were pasted on these and forwarded to various points in Georgia.

Yours, truly,

W. D. C. GATHINGS,
Postmaster and Seaboard Air Line Agent.

MONROE, N. C., *April 4, 1896.*

Mr. H. T. GREGORY,
Post-Office Inspector, Greensboro, N. C.

DEAR SIR: Mr. Pettaway said the wood labels could not be found this morning. I asked him to get them for me. I guess they were burned up. Sorry I could not get them for you.

Truly, yours,

J. D. HELMS, *Postmaster.*

Stated to post-office inspector that 4 sacks were received by railroad agent, S. W. Parkins, and remailed to South Carolina.

MARSHVILLE, N. C., *April 4, 1896.*

SIR: In reply to your inquiry of last evening, have to say that I have received no sacks of public documents for the last three weeks. Occasionally I receive one in the ordinary locked pouch. I received one last week (Friday), train 41, that was remailed by the postmaster at Peachland, who is also depot agent there. It was addressed to J. C. Brooks, who is no railroad agent nor employee of railroad. It was franked by United States Senator J. B. Gordon.

The label used was such as are on public documents generally.

Respectfully,

F. W. ASHCRAFT, *Postmaster.*

POLKTON, N. C., April 6, 1896.

H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: I inclose tag that was at depot; the sack I forwarded to Washington, D. C. Mr. J. E. Carter put the other one on train. He says he don't know where it went to.

Yours, truly,

J. P. BILLINGSLY, *Postmaster*.

Agent stated he received 2 sacks for distribution—distributed 1 to the public.—
H. T. G.

BOSTIC, N. C., April 6, 1896.

Mr. H. T. GREGORY.

DEAR SIR: Your note to hand; contents noted. As to books, I have not received any myself. The railroad agent says he has received 4 sacks from J. B. Gordon. Two bags were distributed before he received any labels. The other 2 were remailed to Georgia. He never had any positive instructions as to disposition. He received label with railroad mail, but not in railroad envelope.

A. P. HIGGINS, *Postmaster*.

A. L. Smart, railroad agent.

Mr. H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: In reply to yours will say, about two weeks ago I received mail sack addressed to Iron Station, with 6 copies of public documents from J. B. Gordon, addressed to different parties.

I did not receive a mail sack addressed to railroad agent.

Very respectfully,

J. M. RENDLEMAN,
Postmaster, Iron Station, N. C.

WADESBORO, N. C., April 4, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector*.

SIR: I told you this morning that there had been no sacks of public documents sent to the railroad agent here. I was thinking that you meant through this office. I have found out from him since then that he has not received any of the sacks, but he says there were a good many sent to the agent at Lilesville, just east of here.

Very respectfully,

J. A. LITTLE, *Postmaster*.

H. T. GREGORY, Esq., *Inspector*:

Number sacks public documents in three weeks just passed, 4; franked by Senator J. B. Gordon, addressed to A. J. Allen, depot agent, Seaboard Air Line. Labels supplied by William Moncure, superintendent, and pasted on books remailed to different points in North Carolina, South Carolina, and Georgia. Original tags misplaced. Mail sacks of books never came into this office. This information obtained from addressee.

Respectfully,

THOS. A. HORNE,
Postmaster.

LILESVILLE N. C., April 4, 1896.

POST-OFFICE INSPECTOR:

There were 4 sacks of public documents received at this office. I can not remember the exact dates of all of them. The first one arrived here on or about the 20th of March, all the balance in about a week's time after. Sent by J. B. Gordon, United States Senator, addressed to T. P. Richardson, railroad agent. He put labels on them and remailed them to different points in Georgia.

Respectfully,

J. C. HUDSON, *Postmaster*.

PEEDEE, N. C., April 4, 1896.

STANLEY, N. C., *April 6, 1896.*Mr. H. T. GREGORY, *On Train No. 402 E.*

DEAR SIR: There was 1 sack of public documents received at this office for the railroad agent, and there has been no franked matter mailed at this office.

A. E. McLURD, *Postmaster.*

Agent stated 3 sacks were received and remailed to Georgia.—H. T. G.

CHERRYVILLE, N. C., *April 6, 1896.*

Mr. H. T. GREGORY.

DEAR SIR: There were 3 sacks of public documents received. Do not know by whom they were franked. They were addressed to E. Pander. He is railroad agent. He distributed the documents. In regard to the labels, I asked him whether any labels were sent to him to be pasted on the books, and he said there were not. I do not know the name of officer who sent them. Did not preserve the original tags; can't find them.

Respectfully,

L. H. J. HAUSER,
Postmaster, Cherryville, N. C.

Documents distributed without remailing.

ELLENBORO, N. C., *April 7, 1896.*Hon. H. T. GREGORY,
Post-Office Inspector, Greensboro, N. C.

DEAR SIR: I was sorry that I failed to get the information asked for in your note ready by the down train. Mr. Prutts was away yesterday. He was the one who knew more about this matter than I did, as he met the train at that time. I failed to get one of those labels. I hope the inclosed information will be satisfactory.

Fraternally,

R. A. DURHAM, *Postmaster.*ELLENBORO, N. C., *April 7, 1896.*Hon. H. T. GREGORY,
Post-office Inspector, Greensboro, N. C.

DEAR SIR: In answer to yours of the 6th will say: On the 16th of March I met the train to get the mail for this office. In addition to the regular mail there was one bag of mail for the depot agent. The next day there were two more bags put off and delivered to the agent. Therefore I supposed that they were addressed to the agent. I did not notice the label on the bags. However, he took charge of them.

Later I was in the depot and saw the agent pasting labels on the books. The labels being already addressed to the different postmasters in Georgia, he put the books in the bags, and they were put into the mail car.

I have been unable to get hold of one of the labels. Therefore there were three bags of mail.

Your obedient servant,

ROBERT A. DURHAM, *Postmaster.*MATTHEWS, N. C., *April 7, 1896.*H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: Your note received last night. Hasten to answer the best I can. I saw the books in the depot, and the agent informed me they were sent to him (the number—122 books); none were sent to the post-office. Labels were sent to him, and he pasted them on and sent the books to various places in Georgia and to different persons. The agent says he received the labels, but don't know who sent them. Tore off the label on the books and pasted on the labels sent to him, and forwarded the books in three different sacks.

Respectfully,

S. B. SMITH.

BOYKINS, VA., *April 8, 1896.*Mr. H. T. GREGORY, *Greensboro, N. C.*

SIR: In reply to yours, I will say that there have been 3 sacks received at this place full of public documents within the last three weeks addressed to C. C. Lewis, railroad agent, franked by John B. Gordon. The labels were received by the railroad agent addressed to parties in different States, some as low down as Georgia.

I refused to take them, pending instructions from Mr. Vickery. Before receiving said instructions the 3 sacks were placed on express train No. 403, which passes this point at 1.44 a. m., by some railroad employee, and were never brought to my office. I can not obtain any of the labels or tags, nor get the information as to what railroad official gave the instructions. I would have answered you yesterday, but did not get yours in time.

Respectfully,

H. L. HILL, *Postmaster.*

[Telegram.]

MOUNT HOLLY, N. C., *April 16, 1896.*

We received 5 sacks of public documents addressed to R. B. Babington, who is railroad agent at this place, about March 22. I think books were from Senator J. B. Gordon. Labels were furnished and pasted on the books. All went to the State of Georgia. Could not obtain any tags.

ADA DUNN, *Postmaster,*
Per R. W. DUNN, *Assistant.*

EXHIBIT C.

Statements of postmasters and railroad agents between Weldon, N. C., and Hamlet, N. C., as to number and treatment of sacks of public documents received at their stations.

LITTLETON, N. C., *April 1, 1896.*

The original tags were left on the bags, the railroad agent here, Mr. Cutchin, having erased his name therefrom. I do not know from whom he received his instructions. The documents were all labeled separately and labels sent off from me with them.

Respectfully,

W. E. SPRUILL,
Postmaster, Littleton, N. C.

LITTLETON, N. C., *April 3, 1896.*

Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: Yes. Three sacks received here all labeled to J. Cutchin, railroad agent, at this place. All 3 sacks filled with heavy documents, each franked by Senator Gordon, of Georgia, and addressed to parties at various post-offices in Georgia. Cutchin requested me to forward, which I did in the same pouches, Cutchin's name being erased. One labeled to Georgia; other two without label, simply stating to the postal clerk that any piece was for some office in Georgia.

Respectfully,

W. E. SPRUILL, *Postmaster.*

YOUNGSVILLE, N. C., *April 3, 1896.*

Received 3 sacks addressed to B. F. Burroughs. Don't remember date of receipt, about two weeks ago. Tag was a small wooden tag about one-half inch wide and 4 inches long.

Person addressed is railroad agent here. Pasted labels on books and remailed them to North Carolina, South Carolina, and Georgia, to different sections of States, Abbeville, S. C., Athens, Ga., etc. Sent by J. B. Gordon, and A. C. Latimer, M. C. This is all I know; I could not get original labels.

My assistant knows more than I do.

Yours, etc.,

IVY G. RIDDICK, *Postmaster.*

WAKE FOREST, N. C., *April 3, 1896.*

Mr. H. T. GREGORY,

Post-Office Inspector, on Train No. 41.

DEAR SIR: There has been 3 sacks public document received here by C. F. Reid, agent for Seaboard Air Line Railroad Company, during the last three weeks, and was remailed by him by pasting self-addressed labels on documents. There were 19 copies for South Carolina, 1 for North Carolina, 5 for Georgia. Can't say what dates the sacks were received, but were received during the month of March, 1896.

Yours, respectfully,

E. ALLENS, *Assistant Postmaster.*

FORESTVILLE, N. C., April 3, 1896.

H. T. GREGORY, Esq., *Post-Office Inspector*.

DEAR SIR: There were 3 sacks of public documents put off here, said to contain 48 pieces each. They were all addressed to J. L. Allen, Forestville, N. C. He received a list of names from Mr. J. T. Elmore, roadmaster, with instructions to address the documents to names on list and turn over to postmaster, so as to get them all off by Monday, or the last off Monday. I send you one of the labels that was on the sacks. The others I sent off on sacks. I had changed this label, but only name and address (J. L. Allen, Forestville, N. C.), and have changed it back as it was when I received it. All these public documents were addressed to parties in South Carolina, and if I can secure a list of names, etc., will inclose in this. Mr. J. L. Allen is railroad agent at this place, and wrote the address on the documents. Think he received some slips to paste on, but he did not use them.

Yours, respectfully,

E. O. DUNN, *Postmaster*.

APEX, N. C., April 3, 1896.

H. T. GREGORY, *Post-Office Inspector*.

SIR: Your note of this date duly received. The transaction you mention appeared to me to be irregular, but I could see only one course for me to pursue, which was to turn the packages over to the party addressed.

The facts as I saw them and learn from a reliable source were these, namely: About the 20th of March, past, the railroad agent here was notified by some railroad official that certain mail matter would come to this office to his, the agent's, address for his distribution. This I learned mainly from inquiry for such mail, etc. On Sunday, March 22, 11 o'clock mail dropped at railroad depot 3 or 4 cloth sacks, with mail, something that has not been done here before, as we have no Sunday's mail. They were brought to post-office by railroad hand who handles our mail sacks, accompanied by railroad agent here with a request to take them in. I did so and noticed two of these sacks very heavy and full to top. They had wooden labels marked "All for Z. I. Hudsa, agent." On Monday morning I delivered to party addressed as they had nothing except Government bags, indicating that they were intended for this or any other post-office.

On 11 o'clock train Monday a third sack of same appearance and with same label came. This also was turned over to railroad agent. He informed me during the day that he had instructions to address and forward to various points in Virginia, and asked me if I wished to mail them at this office. Upon hearing that it was free matter I stated I would not bother with it. I learn that they were sent out by Senator J. B. Gordon and that they were usual Government reports in book form. The agent has a few copies yet. Some days after they were sent out from here I am informed that labels came, printed ones, I suppose, all addressed to points and parties in Georgia. They were too late. I have not been able to get any of these labels. The agent here is very frank to state anything he knows concerning this matter and seems to be quite as much in the dark as the rest of us.

He regarded the transaction on the part of his officials (railroad) as an effort to divide the work of addressing and dispatching the books. I have been voluminous, but thought all the facts stated would aid you in getting at the case.

The mail train makes such short stay I may fail to meet you, and therefore write more fully.

Yours,

HENRY C. OLIVE, *Postmaster*.

MONCURE, CHATHAM COUNTY, N. C., April 3, 1896.

Mr. H. T. GREGORY,
Post-Office Inspector, Train No. 38.

DEAR SIR: In answer to your inquiry relative to the public documents recently sent out here to the railroad agent by Senator J. B. Gordon, 42 of them had unaddressed labels on them which the agent addressed with pen and ink. The remainder of them the labels were pasted on by the agent as sent to him by some railroad official ready addressed to be pasted on. The most of them were sent to South Carolina and Georgia, and I think the most of those sent to Georgia were sent to Atlanta and Athens, Ga. The labels on sacks were a flat piece of wood addressed with pencil to Agent W. C. Kimball, and he rubbed out his name and readdressed it to the different divisions of the railroad system. They say at Pittsford, N. C., that there was not any sent there.

Very respectfully, yours,

R. A. MOORE, *Postmaster*.

KEYSER, N. C., April 3, 1896.

H. T. GREGORY, *Post-office Inspector*.

DEAR SIR: There are 3 sacks of books (public documents) at this office, each sack with a tag addressed to W. G. Ratcliffe. The books are not addressed to anyone.

They are from J. B. Gordon, United States Senator. The sacks are canvas, one No. 3 and two No. 2. They were received March 17, 20, and 22. I inclose the tags, as requested. W. G. Ratcliffe was the railroad agent up to January 15. He is not here now, and I do not know his present address. I would be glad to know what to do with the books.

Respectfully,

MARTHA MCD. REGISTER,
Postmaster.

WARREN PLAINS, N. C., April 4, 1896.

Mr. H. T. GREGORY,
Post-office Inspector, Weldon, N. C.

DEAR SIR: Documents referred to arrived. I think about 3 sacks. Sacks were addressed to W. S. Terrell, railroad agent, I think. Wrote addresses on documents and forwarded by mail to Georgia. All were not sent to one office. Don't remember to what part of the State. Sacks have been received and can not find tags, but they were "W. S. Terrell, agent Seaboard Air Line."

Very respectfully,

J. B. DAVIS, Postmaster.

Mr. H. T. GREGORY, Greensboro, N. C.

SIR: I send three address labels; three sacks of books came here. Mr. Reid tells me Captain Elmore gave a lot of names, and then a lot of addressed slips came to him by railroad mail; don't know who sent them but think they came from Portsmouth, Va. I send a lot he had and gave to me this a. m.

Yours, fraternally,

R. M. PERSON, Postmaster.

KITTRELL, N. C., April 4, 1896.

Mr. H. T. GREGORY, Post-office Inspector.

DEAR SIR: There has been sent to this office within the last three weeks two sacks of public documents addressed to M. W. Cole, who is the agent at this place for the Seaboard Air Line Railroad. He pasted labels on the documents which were addressed to parties in different sections of the State of Georgia from J. B. Gordon, United States Senate. The labels were such as are generally used on public documents.

Very respectfully,

R. H. TEMPLETON,
Postmaster, Clay, N. C.

APRIL 4, 1896.

P. S.—I can't secure any of the labels.

COLON, N. C., April 4, 1896.

Mr. H. T. GREGORY,
Post-office Inspector, Train 38.

DEAR SIR: Replying to attached, March 21, 1 sack; March 22, 2 sacks, sent by Senator J. B. Gordon, addressed to B. M. Poe, railroad agent. Each book has label on, but not addressed to anyone. Part of the public document has been distributed to the public; the others are now in my office awaiting instructions, as I had notice from Seaboard Air Line roadmaster not to give away any more until I heard further from him. I also received a lot of labels in railroad envelope addressed to people in Georgia. I regret that I am unable to secure the original label that came on sack, but as I happen to be postmaster and railroad agent both, I know the exact words on each tag. They were as follows:

"Free. From J. B. Gordon, U. S. S. Public document. All for B. M. Poe, Colon, N. C. Via A. C. L. and Weldon."

The package on top inside of sack was also addressed to me. Hope you can gain the desired information from the above.

Respectfully,

B. M. POE, Postmaster.

CANNON, N. C., April 4, 1896.

Four sacks received by E. P. Rodwell about March 22, sent by J. B. Gordon. E. P. Rodwell is a railroad agent, and employed. Did he paste label on books and forward them by mail? No.

The tags were word tags, and have been destroyed.

J. MCK. HARRINGTON,
Postmaster.

The sacks were not sent to office. Distributed to the public.

LEMON SPRINGS, N. C., *April 4, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: I have received no such sacks as described by you in yours of April 3, 1896. I have received no sacks of any description, only the regular mail pouch, except one little sack of advertising matter from some patent medicine house. This was about a week ago.

Yours, truly,

T. M. CROSS, *Postmaster.*SANFORD, MOORE COUNTY, N. C.,
*April 4, 1896.*H. T. GREGORY, Esq., *On Train 38.*

DEAR SIR: Referring to your note of yesterday evening in regard to sacks of public documents, I beg leave to say that the clerk informs me that 4 or 5 sacks were received addressed to Mr. T. E. White, agent. Two of them were brought to the office by the porter. When it was discovered by the post-office clerk that they were addressed to Mr. White they were returned to the ticket office, where they were labeled by Mr. White and returned to the sacks and forwarded to their destination, and upon inquiry the agent states that he did not preserve the labels.

Very respectfully,

JOHN W. SCOTT, *Acting Postmaster.*HOFFMAN, N. C., *April 4, 1896.*H. T. GREGORY, Esq., *Post-Office Inspector.*

DEAR SIR: Have not received any sacks of public documents or any kind of public documents from any Congressman or Senator during the past three weeks. None came to this office at all.

Yours, respectfully,

J. W. BUTLER, *Postmaster.*SOUTHERN PINES, N. C., *April 4, 1896.*

H. T. GREGORY.

DEAR SIR: There were 3 sacks of public documents that came to this place addressed to railroad agent, from Latimer and J. B. Gordon. Have no record of date, but it was about March 15. The agent sent them to parties in Abbeville, Chester, Whitmires, Carlisle, Catawba, Edgemoor, Rodman, and Greenwood, S. C.; to Monroe and Waxhaw, N. C., from a list sent him by Mr. Moneure, of Seaboard Air Line Railroad. The agent wrote to addressee on the paper cover of documents, put them into sacks again, and sent from station. Sacks did not come to post-office at all. Could not get tags as they have been destroyed. There was, besides, about 10 sacks left by train 403 for transfer to train 38.

L. M. YOUNG, *Postmaster.*ABERDEEN, MOORE COUNTY, N. C.,
*April 4, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: There were 3 sacks of public documents received at this office for Mr. W. R. Hunter, who was agent of Seaboard Air Line Railroad, but had been removed. I notified him, and he had me to turn them over to Mr. Wainwright, the present agent. He relabeled them and forwarded to South Carolina and Georgia. I do not know who they were sent by.

Very respectfully,

H. H. POWELL, *Postmaster.*VASS, N. C., *April 4, 1896.*

SIR: I have not received any sacks of public documents; have only received a few copies in regular catcher pouch, just 1 copy to each person. There were sent 4 copies by John G. Shaw, Congressman, 1 by J. B. Gordon, Senator.

Yours,

W. J. CAMERON, *Postmaster.*RIDGEWAY, N. C., *April 6, 1896.*H. T. GREGORY, Esq., *on 38.*

DEAR SIR: In reply to yours to-day, there were 4 sacks of public documents sent here to F. H. Cheatham, agent. I do not remember dates. The first sack was forwarded to R. I. Cheatham, Atlanta, Ga., and contents of 3 sacks sent to parties, I

think, in Georgia, North Carolina, and South Carolina. Labels were already on books, J. B. Gordon, United States Senator. The books were directed and remailed to Athens, Ga., Monroe, N. C., and Waxhaw, S. C., and to some other points. A list of parties to whom these books were to be forwarded to was handed the agent by J. T. Elmore, road master, who said the superintendent, J. W. Whisnant, instructed him.

Very truly,

L. A. CHEATHAM, *Postmaster*,
By C.

SOUTH GASTON, N. C., April 7, 1896.

Mr. H. T. GREGORY, *Post-office Inspector*.

SIR: There came here through the mail 3 sacks public documents addressed to J. J. Benn. First sack that came was no instructions, and I suppose they were for the patrons of the post-office here. I distributed them out here. The 2 other sacks were mailed as per list of names inclosed. Instructions to mail by superintendent of railroad. You will see from stick they were franked by J. B. Gordon.

Very respectfully,

J. J. BENN, *Postmaster*,

All 3 sacks came in March, but do not recollect what days.

J. J. B.

VAUGHAN, N. C., April 7, 1896.

Mr. GREGORY.

DEAR SIR: I think there were 2 sacks of the public documents sent to railroad agent at this place. They did not come through this office and I think the road master, J. T. Elmore, furnished the agent with labels and instructions as to mailing them. They were labeled and addressed at depot and mailed by the agent without coming to this office. The agent refused to give me any information, and of course I could not get any of the labels for you.

Respectfully,

V. J. NEAL, *Postmaster*,
Per CARR.

MACON, N. C., April 7, 1896.

DEAR SIR: I received 2 sacks of public books from railroad agent about two weeks back; have forgotten the exact date. They were from J. B. Gordon, United States Senator. Railroad agent addressed them to Athens, Ga., and Monroe, N. C. Two sacks went to Athens and about one-half dozen to Monroe, N. C. Railroad agent (Mr. J. E. Rodwell) sent them over to the office and I had them packed and forwarded to the above points. I also send you one of the labels.

This is about all I know.

Yours, truly,

E. A. HARRIS, *Assistant*.

Postmaster, Mr. W. G. Egerton, has gone to Warrenton to-day. I can give you more information to-morrow if I knew where you would be.

Respectfully,

ASSISTANT POSTMASTER.

Mr. H. T. GREGORY:

Reply to yours of even date.

I received 2 sacks public documents and forwarded same as per instructions given by Mr. J. T. Elmore, roadmaster, Henderson, N. C., to following points: Athens, Ga.; Monroe, N. C.; Maxham, S. C.; and Cantaba, S. C.

I wrote address on them myself, being railroad agent, and acting under instruction given by Captain Elmore. Don't remember what Senator's name appeared on them, but J. B. Gordon's name was on them.

The labels were on books that I used, and all were sent to me as follows: "Mr. Mall V. Fleming, Manson, N. C."

Very truly,

M. V. FLEMING,
Postmaster, Manson, N. C.

APRIL 7, 1896.

H. T. GREGORY, Esq., *Post-Office Inspector*.

DEAR SIR: Have been absent a few days, and find on my return request for statement of public documents received recently. I received 3 sacks franked "J. B. Gordon," W. L. Ray. I am railroad agent. There were blank labels on the books, and I had labels furnished already addressed, but I wrote the names on books in preference to

pasting them on. All went to Georgia. I inclose you one of tags that were on sacks.

Respectfully,

W. L. RAY, *Postmaster, Greystone, N. C.*

APRIL 11, 1896.

EXHIBIT D.

Statements of postmasters and railroad agents between Portsmouth, Va., and Weldon, N. C., as to sacks of public documents received by the railroad agents at the respective stations.

DEAR SIR: Number of sacks received, 4. Forwarded to South Carolina and Georgia. He is a railroad agent. He remailed after pasting labels on the book and tie.

Yours, very respectfully,

POSTMASTER.

BRANCHVILLE, VA.

There were 3 sacks of public documents received and delivered by railroad agent; he also put on labels, States: South Carolina and Georgia, including North Carolina. I have not as yet learned from whom he received labels and instructions.

P. W. C. JOYNER, *Postmaster.*

SEABOARD, N. C.

MAGNOLIA, VA.

H. T. GREGORY,

Post-Office Inspector, on Train 38:

There have been 2 sacks of public documents received at this office directed to the railroad agent, J. J. Cheatham, Magnolia, Va. I delivered them to him, and he returned them to be mailed and forwarded to different offices; none for North Carolina. I could not get any information from the railroad agent. He referred me to the superintendent of the railroad office.

The label on the books was "Public documents; free; U. S. Senate; J. B. Gordon."

CHRISTIAN DUKE, *Postmaster.*

HANDSOM, VA., April 4.

H. T. GREGORY, Esq., *Post-Office Inspector, No. 38:*

I received 3 sacks public documents for agent. They were remailed by agent to different points in Georgia and South Carolina on Georgia, Carolina and Northern Railroad—1 sack to Abbeville, S. C.; 1 to Ellerton, Ga., and 1 to Athens, Ga. Some of the books were mailed at different times in regular mail pouch to other points.

They were mailed to agent by J. B. Gordon, United States Senator.

Yours, etc.,

J. D. ABBITT, *Postmaster.*

GUMBERRY, N. C., April 7, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector.*
(Care of train 38.)

DEAR SIR: I give you the information desired as nearly as my memory serves me. There were about 4 sacks of the public documents received. I can not give the exact date received, though it was within the three weeks you name—between about March 10 and 25. The books were franked by J. B. Gordon and A. C. Latimer. They were addressed to F. Kell, Agent Seaboard and Roanoke Railroad Company. I had the job of remailing instead of pasting the franked addressed labels on the books, I wrote the addresses on the franks that were already pasted on the books, which was less trouble than pasting those already addressed. None of them were for North Carolina. Two were for Atlanta, Ga.; 29 for Abbeville, S. C.; 3 for Oglesby, Ga.; 4 for Carlton, Ga.; 3 for Five Forks, Ga.; and the remainder for various portions of South Carolina and Georgia. I can not obtain the original tags used on the sacks. I send you some of the labels. D. G. Porter, road master, Seaboard and Roanoke Railroad, Portsmouth, Va., sent list, labels, and instructions.

Yours, truly,

R. F. KEELING, *Assistant Postmaster.*

GARYSBURG, N. C., April 7, 1896.

DEAR SIR: No sacks of public documents have been to my office in the last three weeks.

Yours, respectfully,

B. H. SUITER, *Postmaster.*

S. Doc. 177—2

KILBY, VA., *April 7, 1896.*Mr. H. T. GREGORY,
Post-office Inspector on No. 38.

DEAR SIR: Your note received. I have received 3 bags of public documents addressed to parties around here. I did not remail or forward any to any points in North Carolina or elsewhere, as they were properly labeled and addressed to citizens of my community. I was absent when first 2 bags came, and assistant postmaster says they were delivered properly. Yes, sir; am railroad agent also. J. B. Gordon, Senator, sent them out. Can not get the original tags, as I did not keep them.

Yours, truly,

W. B. BENNETT, *Postmaster.*CARRSVILLE, VA., *April 7, 1896.*

POST-OFFICE INSPECTOR.

DEAR SIR: In reply to your inquiry about sacks and public documents, will say there have been 3 sacks here marked to E. Rawls, with no label on; books from J. B. Gordon. Mr. E. Rawls gave them out to people that went into his office. Afterwards there came a lot of labels to put on them, for people they were for in Georgia. One sack came marked to Carrsville, with each book directed to this place from J. B. Gordon.

I have received other documents from D. G. Tyler, but were for this office. Hope this will be satisfactory.

Respectfully,

E. R. H. DAUGHTREY.

FRANKLIN, VA., *April 7, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: In reply to yours of this date will say about 6 pouches of public documents have been received at this office, and I remember of 2 that were received by the railroad agent here, which were remailed by him for different parts of Georgia and South Carolina.

It is impossible for me to obtain any of the original tags, as they have been destroyed, not thinking at the time they would be of any use. The railroad agent here refuses to give any information in regard to the name of the official who instructed him to handle the documents; therefore can not say who it was.

Very respectfully,

F. DE BORDENAVE, *Postmaster.*SUFFOLK, VA., *April 7, 1896.*

Mr. GREGORY.

DEAR SIR: Your note to hand, and in reply there has been several bags of public documents or books passed through this office. The most of them went on the Suffolk and Woodley route, one or two to Chuckatuck, and two or three to Gen. L. S. Baker, railroad agent Seaboard road. I do not think there has been any of these books remailed at this office. My mailing clerk, Mr. Brothers, is very sick in bed, and when he gets back to the office if you will let me know when to communicate with you I may be able to give you more information. The books were franked by John B. Gordon, or the most of them.

Very truly,

E. B. BRETT, *Postmaster.*BOWERSHILL, VA., *April 7, 1896.*H. T. GREGORY, Esq., *Post-Office Inspector.*

DEAR SIR: There has been two sacks of public documents received in my office the past three weeks—I think about March 13 and 20—from J. B. Gordon, United States Senator, addressed to F. O. Cummings, railroad agent, and he remailed some. As to labels, there was not any used as I know of. I do not know who instructed Mr. Cummings to mail same, and I do not think he has been furnished with any labels. I did not keep a record of the documents, and therefore I am unable to answer your questions correct, but I will hereafter. I am very sorry that I can't give you a full statement.

Yours, truly,

W. W. KAIN, *Postmaster.*

Mr. H. T. GREGORY,

Post-Office Inspector, Train No. 38, Seaboard and Roanoke Railroad:

Yours of this a. m. received and contents noted. The matter in question was not addressed to the postmaster, but came here to the railroad agent on train No. 402. This train we do not receive any mail on. He (the railroad agent) addressed them to people in Georgia and South Carolina. I don't remember how many there was of them but think there was about 4 or 6 large sacks. They were addressed to agent on wood tags. The roadmaster, Mr. Pouter, gave him instructions as to how to address them.

Respectfully,

E. T. JORDEN,
Assistant Postmaster.

NEWSOMS, VA., April 7, 1896.

H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: Yours received, and in reply would say that 3 sacks have been received addressed to D. J. Davis, agent. The two first were given to anyone that wished a copy, as he thought they were for free distribution until he received the labels from the superintendent of the railroad, and was advised by him to mail them to the parties to whom the labels were addressed. It would be impossible to get any of the tags or labels. The books were mailed by D. J. Davis to various points, the names of which I don't remember.

Respectfully,

POSTMASTER.

MARGARETTSVILLE, VA., April 7.

EXHIBIT E.

Statement of mail weighers on Seaboard Air Line Railroad regarding large amount of public documents handled on certain days they remembered.

Mr. GREGORY, *Post-Office Inspector:*

My first experience with books, Congressional Records, etc., was on train No. 41, March 19. On that day I know positively that I took on 10 sacks at Weldon and distributed them at offices on the line, mostly north of Raleigh. Of later dates I have no positive knowledge except that March 21 and 23 were both very heavy days on account of books, etc., some of which were picked up at stations on the line addressed to South Carolina and Georgia. I have no record of any day except March 19.

Very respectfully,

A. J. CLINE, *Mail Weigher.*

APRIL 4, 1896.

Statement of F. B. Glenn, mail weigher, on March 19 and 22, received at Weldon, N. C., for local stations, March 23, and later dates received from local stations.—H. T. G.

Train.	Date.	S.	Number of pounds.
No. 38.....	19	8	950
No. 403.....	22	.....	5,975
No. 38.....	23	.....	200
Other days, about.....	.....	.....	500

MONROE, N. C., April 4, 1896.

H. T. GREGORY, Esq.,

Post-Office Inspector, Greensboro, N. C.

DEAR SIR: Inclose you herewith two weight reports, one for Sunday, March 8, and one for Sunday, 22d. The increase of the 22d over the 8th was caused entirely by Congressional Records. Thought it best to give you the reports than to attempt any estimate. The special increase you see on the report marked "C. R." (Congressional Records). Most of these are small stations, and usually get a catcher pouch

with few pounds of mail. This was the only day, with the exception of the report you have one copy, that I had any of any consequence.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

N. B.—On train 403 we left about 2,500 pounds at Weldon, as this train could not deliver them. Don't remember the date.

G. F. T.

	Put off.	Taken on.
Laurelhill:		
Mar. 21, 1896.....	137	9
Mar. 23, 1896.....	127	7
Mar. 28, 1896.....	45	8
Mar. 30, 1896.....	50	7
Laurinburg:		
Mar. 21, 1896.....	174	16
Mar. 23, 1896.....	171	9
Mar. 27, 1896.....	68	8
Mar. 30, 1896.....	80	10

W. H. THOMAS.

WILMINGTON AND HAMLET TRAIN 38, *April 4, 1896.*

This line handled 4 sacks of Congressional documents—2 off at Laurelhill, 2 off at Laurinburg; all addressed to railroad agents. The entire amount of it was for points in Georgia.

W. H. THOMAS, *Railway Postal Clerk.*

Date.	Num- ber of bags.	Labeled to—	Taken on.	Weight.	Marked to—
Mar. 19	1	Osborne, N. C.....	Hamlet, N. C.....	119	S. G. Godfrey, agent. Do.
Do...	1	Hamlet, N. C.....	Cheraw, S. C.....	70	
Mar. 23	2	Osborne, N. C.....	Hamlet, N. C.....	160	
Do...	2	Kollocks.....	do.....	200	
Do...	1	Cheraw, S. C.....	do.....	70	
Mar. 24	2	do.....	do.....	205	
Mar. 27	1	Georgia district.....	Osborne, N. C.....	119	
Mar. 28	1	do.....	do.....	50	
Do...	2	Hamlet.....	Cheraw, S. C.....	180	
Mar. 31	2	Georgia district.....	Kollocks.....	200	

This is to certify that the above is correct, to the best of my knowledge and belief.

J. M. BAUCUM, *Weigher.*

Routes 118034 and 118045.

APRIL 4, 1896.

EXHIBIT F.

Description.—This exhibit consists of two franking slips of J. B. Gordon, United States Senate, and two shipping tags. Upon the back of one is an indorsement, as follows:

“Exhibit F: Two S. A. L. R. R. shipping tags which were taken from two sacks of public documents at Weldon, N. C., by Inspector Gregory. Also two franked labels taken from documents in these sacks addressed to individuals, mainly R. R. employes. The sacks reached Weldon on Tr. 402, S. A. L. R. R.”

EXHIBIT G.

Mr. J. Y. WEDINGTON.

DEAR SIR: Since you ask me to get up some information in regard to some mail matter at this place, I will say that on the 16th of March, I met the train and received the mail bag, as common. The mail clerk also put off a bag of mail and said

that it was for the depot agent. Later there were several bags of mail put off and the agent took charge of them. I was in the depot later, and saw the agent pasting labels on each piece of mail, each label bearing the name of United States Senator J. B. Gordon, also, and addressed to the different postmasters in Georgia.

I send newspaper clipping in regard to this matter.

ROBERT A. DURHAM, *Postmaster.*

ELLENBORO, N. C., *April 4, 1896.*

Exhibit G: Copy of Ellenboro (N. C.) Enterprise, showing article cut from paper; also pasted on statement, the article referring to the weighing of public documents that was cut from the entire issue of the paper by the efforts of Superintendent William Moncure of the Seaboard Air Line Railroad, on the ground that it would injure the railroad.

(NOTE BY COPYIST.—Accompanying this letter is copy of Ellenboro Enterprise of March 27, 1896, with the article cut out of its page.)

[Copy of newspaper article attached to this letter.]

Senator J. B. Gordon, of Georgia, made a mistake in mailing the public documents to his constituents last week. Instead of mailing them direct they were sent to the agents along the Carolina Central in North Carolina. The agents pasted slips bearing the address of some Georgia postmaster on back and remailed them. This required considerable handling and weighing to get these books to their proper destination, and necessarily added several thousand pounds to the average mail; and as the mails are weighed during the present month and taken as an average for the year it will be quite an item in the compensation of the said roads for handling the United States mail.

We wonder where Marion Butler's quota of Congressional reports have wandered to.

EXHIBIT H.

This exhibit consists of envelope and 95 franking slips of J. B. Gordon, United States Senate, addressed to individuals in Georgia. The envelope is indorsed as follows:

"Exhibit H. Envelope and labels furnished R. R. agent at Carrsville, Va., in R. R. mail, for remailing public documents."

The envelope is addressed: "E. Rawls, Agent S. A. L., Carrsville, Va."

EXHIBIT I.

Description.—This exhibit consists of an envelope and 40 franking slips of J. B. Gordon, United States Senate, addressed to individuals and postmasters in Georgia. The envelope is indorsed as follows:

"Exhibit I. Envelope and specimen labels furnished to R. R. agent at Wake, N. C., in R. R. mail, to be used in remailing public documents."

EXHIBIT J.

Description.—This exhibit consists of 46 franking slips of J. B. Gordon, United States Senator, addressed to postmasters in Georgia. On the back of one there is this indorsement:

"All for J. L. Pierce, Kittrell, N. C., 80. Exhibit J. Labels furnished R. R. agent at Kittrell, N. C., in R. R. mail for remailing public documents."

EXHIBIT K.

Description.—This exhibit consists of 4 franking slips of A. C. Latimer, Member of Congress, and 5 of J. B. Gordon, United States Senator, the first 4 bearing addresses of persons in South Carolina, the others bearing addresses of postmasters in Georgia. Upon the back of one is an indorsement as follows:

"Received from R. R. ag't, Gumberry, N. C., with statement. H. T. G. Exhibit K. Labels furnished R. R. agent at Gumberry, N. C., in R. R. mail for remailing public documents."

EXHIBIT L.

Description.—This exhibit consists of three franking slips of J. B. Gordon, United States Senate. Upon the back of one is an indorsement as follows:

“Received from R. R. agent, Handsom, Va., with statement. H. T. G. Exhibit L. Blank franks taken from public documents furnished to R. R. agent at Handsom, Va.”

EXHIBIT M.

Description.—This exhibit consists of five paper franking slips of J. B. Gordon, United States Senate, with a different address written upon each to persons in Georgia. Upon the back of one is the indorsement as follows:

“All for Paul Eley, Seaboard, N. C. 40, 10, 15; 65. Received from P. M., Seaboard, N. C., with statement. H. T. G. Exhibit M. Specimen of labels furnished to R. R. agent at Seaboard, N. C., with instructions as to remailing documents.”

EXHIBIT N.

Description.—This exhibit consists of 3 franking slips of J. B. Gordon, United States Senate, with a different address written upon each, to persons in Georgia. Upon the back of one is the indorsement as follows:

“Received from P. M. at Bostic, N. C., with statement that they were sent to A. L. Smart, R. R. agent, in R. R. mail. Exhibit N. Specimen of labels furnished to R. R. agent at Bostic, N. C., in R. R. mail, with instructions as to remailing.”

EXHIBIT O.

List of names on Seaboard Air Line Railroad paper furnished to agent at Gaston, N. C., showing that all documents were to be addressed to stations on the Monroe and Atlanta Railway Post-Office; also some of the labels furnished by railroad officials for mailing the documents.

Received with statement from postmaster at South Gaston, N. C., who is also railroad agent.

“Public document. Free. U. S. Senate. J. B. Gordon, U. S. S. M. Dixon, Dormineys Mill, Ga.”

“Public document. Free. U. S. Senate. J. B. Gordon, U. S. S. D. A. McInnis, Minnie, Ga.”

Name.	Address.	Name.	Address.
Geo. Cathey	Stathams, Ga.	M. Renwick	Lawrenceville, Ga.
Sol. Randolph	Do.	E. Foreman	Do.
Joe Good	Do.	B. Galston	Do.
H. Roag	Do.	L. Young	Do.
Lee Harris	Do.	C. Presley	Do.
A. N. Martin	Winder, Ga.	S. M. Harrington	Do.
Lee Irwin	Do.	J. L. Payne	Gloster, Ga.
P. Payne	Do.	W. Hobson	Do.
E. S. Starr	Do.	P. Wynne	Do.
G. Bell	Do.	E. Harvey	Do.
J. Corsby	Do.	W. Barnes	Do.
L. Bowman	Do.	H. Covington	Do.
J. A. Folly	Auburn, Ga.	M. Beard	Do.
S. O. Estes	Do.	M. Moore	Do.
Bob Thomas	Do.	A. Twitty	Do.
B. Mollond	Do.	A. B. Payne	Tucker, Ga.
B. Dillespree	Do.	W. J. Lunford	Do.
J. Carter	Do.	B. Gilmore	Do.
J. Watson	Do.	F. Hinton	Do.
T. S. Burroughs	Do.	Kelly Thompson	Do.
J. Hall	Do.	W. H. Haygood	North Decatur, Ga.
J. A. Folly	Do.	G. Harris	Do.
Sam Sussen	Do.	J. Phillips	Do.
O. McCall	Do.	J. Stroud	Do.
B. L. Martin	Lawrenceville, Ga.	H. Winfall	Do.
G. W. Goss	Do.		

EXHIBIT P.

WEIGHT CARDS OF G. F. TAYLOR, SHOWING DIFFERENCE IN WEIGHT OF MAILS ON TWO SUNDAYS, WHEN PUBLIC DOCUMENTS WERE RECEIVED AND WHEN THEY WERE NOT RECEIVED.

SEABOARD AIR LINE.

Weight of mails conveyed inward to and from each station on Route Nos. 118001, 118003, and 118010, between Rutherfordton and Weldon, N. C., on train No. 38, on the 8th day of March, 1896.

Station.	Put off.	Taken on.	Station.	Put off.	Taken on.
Rutherfordton			Manly		
Forest City			Vass		
Bostic			Cameron		
Ellenboro			Lemon Springs		
Moorestown			Sanford	35	13
Lattimore			Colon		
Shelby			Osgood		
Stubbs			Moncure		
Waco			Haywood		
Cherryville			Merryoaks		
Crouse			Newhill		
Lincolnton			Apex		
Iron Station			Cary	12	12
Alexis			Method		
Stanley			Raleigh	284	338
Mount Holly			Millbrook		
Pawcreek			Neuse	8	5
Sandifer			Wyatt		
Sago			Forestville		
Charlotte			Wake Forest	45	6
Sardis			Youngsville	27	6
Matthews			Franklinton	111	9
Indiantrail			Kittrell	20	7
Monroe		525	Henderson	172	13
Ames			Greystone	10	6
Marshville	6	6	Middleburg		47
Peachland		10	Manson		
Polkton			Ridgeway		
Wadesboro	38	14	Warren Plains	35	
Lilesville			Macon	6	6
Peedee			Vaughan		
Rockingham	37	13	Littleton	12	
Hamlet	105	10	South Gaston	6	6
Hoffman			Roanoke Rapids	8	6
Keyser			Weldon		
Pinebluff					
Aberdeen					
Southern Pines	13	256	Total	990	1,314

Weight of mails conveyed inward to and from each station on Route Nos. 118001, 118003, and 118010, between Rutherfordton and Weldon, N. C., on train No. 38, on the 22d day of March, 1896.

Station.	Put off.	Taken on.	Station.	Put off.	Taken on.
Rutherfordton			Monroe		740
Forest City			Ames		
Bostic			Marshville	7	7
Ellenboro			Peachland		13
Moorestown			Polkton (C. R.)	118	
Lattimore			Wadesboro	36	13
Shelby			Lilesville		
Stubbs			Peedee		
Waco			Rockingham (C. R.)	130	17
Cherryville			Hamlet	75	1,262
Crouse			Hoffman		
Lincolnton			Keyser (C. R.)	100	
Iron Station			Pinebluff	8	
Alexis			Aberdeen	46	
Stanley			Southern Pines	9	17
Mount Holly			Manly (C. R.)	105	
Pawcreek			Vass		
Sandifer			Cameron (C. R.)	120	
Sago			Lemon Springs		
Charlotte			Sanford	37	119
Sardis			Colon		
Matthews			Osgood		
Indiantrail			Moncure (C. R.)	165	

Weight of mails conveyed inward to and from each station on Route Nos. 118001, 118003, and 118010, etc.—Continued.

Station.	Put off.	Taken on.	Station.	Put off.	Taken on.
Haywood			Henderson (C. R.)	404	12
Merryoaks	161		Greystone	90	5
Newhill	21		Middleburg (C. R.)	208	42
Apex (C. R.)	167		Manson		
Cary (C. R.)	87	17	Ridgeway (C. R.)	245	
Method (C. R.)			Warren Plains (C. R.)	296	
Raleigh	382	1,859	Macon	21	8
Millbrook			Vaughan (C. R.)	92	
Neuse	27	8	Littleton (C. R.)	111	
Wyatt			South Gaston	10	6
Forestville	17		Roanoke Rapids	11	7
Wake Forest (C. R.)	166	9	Weldon		
Youngsville	41	6			
Franklinton	280	8			
Kittrell	47	8			
			Total.....	3,840	4,383

EXHIBIT Q.

Description.—This exhibit consists of 31 wooden tags marked with the frank of J. B. Gordon, United States Senate, and addressed to parties in North Carolina and Georgia.

This indorsement accompanies the exhibit, viz:

“Exhibit Q. Other tags sent in, label used on sacks of public documents sent to R. R. agents on S. A. L. R. R.”

WASHINGTON, D. C., April 22, 1896.

GREGORY, *Post-office Inspector, Norfolk, Va.:*

(Arrival N. & S. 425 train.)

When you get to Atlanta see Superintendent Terrell. Have sent mail to Elizabeth City for you.

ARRINGTON,
Post-Office Inspector in Charge.

RALEIGH, N. C., 26, 1896.

Mr. HARDY GREGORY,
Greensboro, N. C.:

Six, eight, eight—in all twenty-two thousand.

JOSEPHUS DANIELS.

WASHINGTON, D. C., May 1, 1896.

GREGORY,
Post-Office Inspector, Newbern, N. C.:

As soon as you are prepared to submit report on weighing the mails come to Washington. Advise me when to expect you.

ARRINGTON,
Post-Office Inspector in charge.

POST-OFFICE DEPARTMENT,
OFFICE OF FOURTH ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., April 17, 1896.

Respectfully referred to the Hon. C. Neilson, Second Assistant Postmaster-General.

R. A. MAXWELL,
Fourth Assistant Postmaster-General.

[Case No. 210382C.]

ELIZABETH CITY, N. C., April 14, 1896.

T. M. ARRINGTON, Esq.,
Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: The above-numbered case is herewith returned with papers relating thereto. April 6, 1896, interviewed Railway Postal Clerk Hare on the Boykins and

Lewiston, from whom I obtained a written statement; also obtained written statements from postmasters on that route showing the number of sacks of documents received and the treatment of the same; 12 sacks were put off at the various stations addressed to the railroad agents and by them relabeled and remailed to other offices. For further information see my report on case No. 210382-3C.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

Report examined, approved, and forwarded to chief inspector April 15, 1896.

T. M. ARRINGTON,
Post-Office Inspector in Charge Division.

[Case No. 210382-3C.]

RICHMOND, VA., April 16, 1896.

T. M. ARRINGTON, Esq.,
Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: The above-numbered case was returned a few days ago with my report upon its investigation.

I have received from your office several special reports from the mail weighers stating that large amounts of Atlanta Constitution have been received at Monroe, N. C., over Monroe and Atlanta R. R. O. Papers are supposed to be sample copies and are addressed to Norfolk, Va., and Portsmouth. The sacks are labeled with facing slips, which are merely addressed, but not postmarked, and do not bear any one name; amount received as follows: Train 38, 535 pounds, 9,300 pounds; April 10, train 402, 550 pounds; train 38, 535 pounds; April 11, train 402, 474 pounds; train 38, 464 pounds; April 12, train 38, 367 pounds; April 13, train 38, 219 pounds.

I would suggest that this matter be taken up with the Atlanta Constitution by the Chattanooga Division to ascertain why and by whose request the papers are being sent out in large bulk over the Seaboard Air Line Railroad.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

RICHMOND, VA., April 16, 1896.

T. M. ARRINGTON, Esq.,
Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: Three sacks of public documents, franked by J. B. Gordon, United States Senate, were addressed to W. G. Ratliff, Keyser, N. C. Mr. Ratliff was formerly agent of the Seaboard Air Line Railroad Company, but has left Keyser, and the sacks of documents (which were received at Keyser during March) have not yet been delivered. Mrs. Martha McD. Register, postmaster, Keyser, N. C., desires to be instructed as to what disposition to make of these documents. Whatever instructions are given her, it will be best not to have them forwarded by mail until the weighing has been finished.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

[No. 210383 C.]

POST-OFFICE DEPARTMENT,
OFFICE OF POST-OFFICE INSPECTORS,
Washington, D. C., April 16, 1896.

Hon. M. D. WHEELER,
Chief Post-Office Inspector, Washington, D. C.

SIR: I herewith transmit to you the above-numbered case, which relates to the alleged padding of the mails on the Seaboard Air Line Railway, with an exhaustive report made by Inspector H. T. Gregory, of this office, under special instructions from me. Inspector Gregory has gone into this matter very carefully, and has made as thorough and complete an investigation as has been possible.

From his report it is clearly shown that the mails have been padded for the purpose of increasing the weight while the same was being weighed.

I recommend that the matter be referred to the honorable Second Postmaster-General for such further action as he deems advisable.

I also desire to commend Inspector Gregory for the thoroughness and competency shown by his report.

Very respectfully,

T. M. ARRINGTON, *Inspector in Charge.*

RICHMOND, VA., April 16, 1896.

T. M. ARRINGTON, Esq.,
Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: I have received various special reports from your office, showing that large quantities of papers are being sent over Seaboard Air Line Railroad from Atlanta, Ga., Portsmouth, Va., and Raleigh, N. C. My report on this matter has already been forwarded to your office, and these papers refer to matter dispatched since my investigation was made. Please instruct me as to whether you would like for me to look into this matter immediately at Raleigh and Portsmouth, or await further developments or additional papers.

Very respectfully,

H. T. GREGORY,
Post-Office Inspector.

RICHMOND, VA., April 16, 1896.

T. M. ARRINGTON, Esq.,
Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: During the latter part of March, 1896, five sacks of public documents, weighing about 120 pounds a sack, were received at Goldsboro, N. C., addressed to J. W. Bryan, postmaster, and franked by F. A. Woodard.

March 25, 1896, six sacks of documents were carried over Atlantic and North Carolina Railroad; four, franked by F. A. Woodard, addressed to Mr. Wooten, postmaster, Kinston, N. C. Neither those to Mr. Wooten or Mr. Bryan were remailed. Two sacks, franked by Shaw, M. C., were addressed, one to W. S. Chadwick, president Atlantic and North Carolina Railroad, Beaufort, N. C., the other to Colonel Whitford, an officer of the road at Newbern (about 98 pounds of these records), showing that Whitford had received more than one sack. This information is for the information of the Department.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

POST-OFFICE DEPARTMENT,
 OFFICE OF INSPECTOR IN CHARGE WASHINGTON DIVISION,
Washington, D. C., April 17, 1896.

Respectfully forwarded to Hon. M. D. Wheeler, chief inspector, transmitting special report by Inspector Gregory for reference to the honorable Second Assistant Postmaster-General.

T. M. ARRINGTON, *Inspector in Charge.*

POST-OFFICE DEPARTMENT,
 OFFICE OF FOURTH ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., April 20, 1896.

Respectfully referred to the Second Assistant Postmaster-General. (Railway Mail Service.) Subject: Communication from Inspector Gregory, dated 16th instant, relating to public documents handled during recent weighing period North Carolina.

R. A. MAXWELL,
Fourth Assistant Postmaster-General.

POST-OFFICE DEPARTMENT,
 OFFICE OF POST-OFFICE INSPECTOR,
Washington, D. C., April 18, 1896.

H. T. GREGORY,
Post-Office Inspector, Greensboro, N. C.

SIR: The above-numbered case has been reopened on the inclosed letter of the Second Assistant Postmaster-General, dated April 16, 1896, and I herewith return it to you for investigation and report in accordance therewith. Your former report on the case was perfectly satisfactory, but additional information is desired as embodied in the request of General Neilson.

I conferred with the Second Assistant Postmaster-General and with the chief post-office inspector and we agreed that it would be preferable for you to continue the investigation and go to Atlanta, Ga. I have notified the inspector in charge at Chattanooga, Tenn., to that effect.

Read the papers carefully, and make as good a report as you possibly can, as it is a case of much importance.

Very respectfully,

T. M. ARRINGTON, *Inspector in Charge.*

WEIGHING OF MAILS ON THE SEABOARD AIR LINE RAILROAD.

Every four years the mail transported over the various railways in the United States is weighed for a period of thirty days for one-fourth of the country each year. Upon the average weight obtained during the thirty days the compensation of the railroad is adjusted and is in force for four years. The last weighing was conducted during the month of March, 1896. One enterprising railroad company, Seaboard Air Line, whose main line extends from Portsmouth, Va., to Atlanta, Ga., attempted to take advantage of this opportunity to swell very largely the weight of the mail carried over their system during the weighing of the mails by very large shipments of public documents; about 300 sacks of documents franked by a United States Senator (J. B. Gordon) and a Member of Congress (A. C. Latimer), were sent to the various station agents of this company in Virginia, North Carolina, South Carolina, and Georgia; the sacks weighed 100 to 125 pounds each; 2, 3, 4, or 5 sacks were sent to an agent; in railroad mail the agents received envelopes containing slips of paper, or labels, franked by a United States Senator (J. B. Gordon) and addressed to various persons at various offices in Georgia and South Carolina, a large portion of the addressees being railroad employees or postmasters.

Some agents were furnished by railroad officials with lists of addresses in North Carolina and Virginia. The division superintendents and road masters gave oral instructions to the agents under them as to pasting on labels or writing addresses on the books, which were not previously addressed, but tags of sacks were addressed, "All for ——" (who is railroad agent at that point). The books were then remailed and again transported over the routes of this company, to be again weighed. A few agents, not understanding their instructions, gave out the books at public distribution before the franked labels were received. Fifteen sacks were delivered at Portsmouth, Va., addressed in bulk to General Superintendent E. V. McBee. That night the books were addressed in the railroad building by his secretary (Williams) and a division superintendent (Whisnant) and remailed the following morning to various addresses along their route. A newspaper (Ellenboro, N. C., Enterprise) learning of the transaction, published a short article headed, "A mistake," stating in substance that a United States Senator (J. B. Gordon) in mailing documents to his constituents had by mistake addressed them to station agents along the Seaboard Air Line Railroad, to be remailed to his constituents, etc. A division superintendent (William Moncure) learning of the article, proceeded to the town (Ellenboro) and induced the editor to cut the item out of every copy of his paper, on the ground that it would hurt the road.

The "padding" of the mails by this company was investigated by the Post-Office Department, ascertaining from postmasters and station agents as to how many sacks of documents were sent to each station agent, whether they were remailed, to what points, also as to what official furnished the labels and instructions for remailing. And to protect the Government from this attempted padding the Department ordered the weighing to be continued for thirty days additional during April. The railroad company then resorted to a new scheme by contracting with publishers of newspapers for a large number of papers to be sent over their line daily to addresses furnished by the company. At Portsmouth, Va., General Superintendent McBee arranged with a Portsmouth, Va., paper (Star) to send 6,800 copies daily for ten days and after that 2,400 daily, in bundles of 25 each to each address, to parties in South Carolina and Georgia on the Seaboard Air Line. At Raleigh, N. C., Williams, private secretary of McBee, arranged to have 6,000 copies first week, 8,000 copies a week afterwards, of a weekly paper (North Carolinian) to be sent weekly in bundles of 45 to each address, to be sent over the Seaboard Air Line to stations in South Carolina, Georgia, and a few in North Carolina. At Atlanta, Ga., Van E. Fleming, private secretary of Division Superintendent Berkley, arranged with Atlanta Journal for 2,000 copies daily, to be sent over the Seaboard Air Line Railroad to Norfolk and Portsmouth, Va., 1,000 addressed as regular subscribers, the other 1,000 as sample copies. Arrangement was also made with the Atlanta Constitution to send 5,600 of each Sunday issue to addresses in Norfolk and Portsmouth, Va., this amount to be divided up and 800 copies sent each day, 400 by morning train and 400 by night train. A copy of Sunday's paper is 34 pages and weighs a little over half a pound to the copy. Norfolk and Portsmouth city directories were furnished the Journal and Constitution to print labels for mailing papers to parties in those cities. Several of these parties had moved from those cities, had died, or addresses were not known. Had this weighing been accepted by the Department the Seaboard Air Line Railroad would have received for the next four years a much larger compensation than they were entitled to.

Mr. Josephus Daniels, editor of the North Carolinian, told me he was entirely in ignorance of the railroad company's object in sending out the papers, or would not have permitted them to have purchased the papers from his assistant; he stopped the fourth shipment of his paper, and was very much annoyed; would prefer for the matter not to be made public.

H. T. G.

It is the belief of the Department that neither Senator Gordon nor Representative Latimer were parties to, or in any manner aware of, the use which was made of their franks, nor connected in any way with the transaction.

(N. B.—The above paper is a condensation of the main facts in Inspector Gregory's reports, prepared by him by direction of the Postmaster-General to be given out to the press. It is the paper alluded to in the letter of the Postmaster-General of May 25 to the Attorney-General and should be read in immediate sequence to that letter).

EN ROUTE, April 27, 1896.

DEAR MR. ARRINGTON: I will not forward my report on the Seaboard Air Line Railroad "padding mail" case until close of the month, rather 1st of May, in order to get in certain memoranda of weights that are being kept for me at Norfolk, Portsmouth, Raleigh, and Atlanta, and by the mail weighers. I do not know that you could comprehend my hurried note from Atlanta just before departure of train, so will briefly go over the facts, in case you should like to know the principal facts in advance of my report.

General Superintendent McBee, Seaboard Air Line Railroad, contracted with editor of Portsmouth, (Va.) Star for a certain number of copies to be sent daily to addresses in South Carolina and Georgia, and a few points in North Carolina along line of Seaboard Air Line or points beyond Atlanta. The addresses were furnished by railroad company, and papers sent out in bundles of 45, then 25 to each address, not marked sample copies, as they were not sample copies, such being the editor's statement. For first ten days, commencing April 7, about 6,000 copies daily were mailed, since then about 3,000 daily; also from Portsmouth, Va., is sent out daily 1 to 300 pounds Seaboard Air Line advertising matter, and sample copies of Washington, D. C., Times, all properly prepaid with postage stamps.

Charlie Williams, private secretary of General Superintendent McBee, contracted with North Carolinian, Raleigh, N. C., to send out a large number weekly for four weeks, to be mailed to addresses furnished by Seaboard Air Line Railroad, being stations along that route. The papers have been sent out for three weeks, commencing April 12, usually by being sent in three or four installments each week. First week, 6,000 copies; second week, 8,000 copies; third week, 8,000 copies. The weight for the third week was over 900 pounds. The editor, Mr. Josephus Daniels, did not know the particulars of the arrangement and for what purpose it was made, hence regrets it very much.

V. E. Fleming, private secretary to Mr. Berkley, division superintendent of Seaboard Air Line at Atlanta, Ga., arranged with Atlanta Journal for 1,000 copies daily to be sent for one month to parties in Norfolk and Portsmouth, he paying subscription for them; also 1,000 copies daily of sample copies so stamped, all sent to addresses furnished by Seaboard Air Line Railroad. One of the Constitution editors arranged for with some party for Seaboard Air Line (I have been promised name of party when the editor referred to returns) for a month's subscription (four editions) of Sunday Constitution to be sent to 5,600 people in Norfolk and Portsmouth; each Sunday issue of 5,600 copies is sent out daily for seven days, between four or five hundred pounds daily, each day's supply being divided in two amounts, part being dispatched by morning train, the other by night train; hence, though it is claimed this is a bona fide subscription of 5,600 copies of Sunday's Constitution for one month (beginning with the issue of April 5, and ending with issue of April 26), yet this Sunday issue is divided up to suit the Seaboard Air Line Railroad by sending about one-seventh each day by the two trains morning and night.

There has been a shipment of 10 or 12 sacks of a Richmond paper—Progressive or Industrial South—going to two stations on Seaboard Air Line Railroad, Southern Pines, N. C., and Statham, Ga.

The weight of Atlanta Journals and Constitution combined is between 600 and 700 pounds daily; Portsmouth Star, 3,000 to 6,000 copies daily (have not the exact weight); North Carolinian, about 1,000 pounds a week.

These papers were arranged for by officers or employees of Seaboard Air Line Railroad, and sent out at pound rates. Whereas, owing to the facts, the Portsmouth Star, the North Carolinian, and a portion of the Atlanta Journal, and perhaps the Atlanta Constitution, should have been prepaid at the rate of 1 cent for each 4 ounces.

If the Department decides that these facts will justify a new weighing you can rely on the statements I have made in this note as being about correct, and will be substantiated in my regular report.

In case you should desire an official statement earlier than the 1st or 2d of May, wire me at Newbern, N. C.

Very respectfully,

H. T. GREGORY,
Post-Office Inspector.

ATLANTA, GA., April 24, 1896.

T. M. ARRINGTON, Esq.,

Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: As it will be a few days before I can make a full report on this case, I will write a brief report of facts, as the Department may desire such information if another month's weighing is contemplated.

Portsmouth (Va.) Star sent out for ten days, commencing April 7, 5,400 copies daily; since then 2,800 daily to addresses in Georgia and South Carolina, furnished by Seaboard Air Line Railroad Company, the contract being made with General Superintendent McBee, at a satisfactory price.

Atlanta Constitution, contract through a friend for 6,000 copies of each Sunday edition, to be sent for four weeks, about 800 copies daily, subscription paid for papers to be sent to parties in Portsmouth, Va., and Norfolk, Va., as per lists furnished.

Atlanta Journal, contract with Mr. Fleming for Seaboard Air Line Railroad, 1,000 copies daily as regular subscriptions for one month to addresses in Norfolk and Portsmouth; also extra 1,000 daily as sample copies; list of addresses furnished.

Carolinian, of Raleigh, also sending large quantities; have not yet seen.

Industrial South, Richmond, Va., also sending out large quantities.

Seaboard Air Line advertising matter properly prepaid with postage stamps; also sample copies of papers, with stamps affixed, from Portsmouth, Va., daily, two or three hundred pounds.

Very respectfully,

H. T. GREGORY,
Post-Office Inspector.

POST-OFFICE DEPARTMENT,
OFFICE OF FOURTH ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., April 25, 1896.

Respectfully referred to Hon. C. Neilson, Second Assistant Postmaster-General.
(Special report.)

R. A. MAXWELL,
Fourth Assistant Postmaster-General.

DOVER, N. C., May 2, 1896.

POST-OFFICE INSPECTOR IN CHARGE,
Washington, D. C.:

Leave this morning for Washington, according to your telegram of yesterday.

GREGORY, *Inspector.*

OXFORD, N. C., May 26, 1896.

DEAR MR. ARRINGTON: General Neilson asked me to try again to obtain the letter purporting to be from General Gordon to postmaster at Greenwood, S. C., directing him to return the documents to Washington; the letter referred to from postmaster, Greenwood, S. C., referring to this matter, is filed with my second report. I now forward a second letter from the postmaster for General Neilson's information, and which may show that J. M. Baker is the party who sent out the documents for the Seaboard Air Line.

H. T. GREGORY, *Post-Office Inspector.*

[Case No. 210382-3C.]

POST-OFFICE DEPARTMENT,
OFFICE OF POST-OFFICE INSPECTOR,
Washington, D. C., May 5, 1896.

T. M. ARRINGTON, Esq.,

Post-Office Inspector in charge, Washington, D. C.

DEAR SIR: My former report on the above-numbered case was forwarded to your office on April 14, 1896. The case was reopened on April 18, and since that date I have continued its investigation at Norfolk, Va., Portsmouth, Va., Raleigh, N. C., Atlanta, Ga., and along the route of the Seaboard Air Line Railroad.

April 22 I investigated the receipt of Atlanta Constitutions and Journals at Norfolk, Va. Large quantities were received daily addressed to individuals at various city addresses. The Constitutions were not marked sample copies, and quite a large number were being handed into the post-office marked "refused." Quite a large number of the papers could not be delivered, as the addressees were not known—dead or had moved from Norfolk. The addresses were arranged alphabetically, as though

taken from a city directory. Atlanta Journals were also received in large quantities, addressed alphabetically to individuals, with printed label (the same manner in which the Constitutions were labeled). The Journals were marked "Sample copy," hence very few were being handed back, though a large number could not be delivered according to address. Four large packages (about 104 pounds) Journals, dated April 16, 1896, were addressed in bulk to postmaster, Norfolk, Va., and each copy marked "Sample copy." The large number of these papers received was more than the letter carrier could promptly deliver.

April 22, at Portsmouth, Va., I ascertained by personal investigation that large quantities of Atlanta Constitutions and Journals were received, addressed alphabetically to individuals, as though taken from a city directory; the labels were printed; a large number of papers failed of delivery, as there were no such addressees, the parties having removed, died, or were not known; hence there was a large pile of undelivered matter; in addition to this there were about 6 sacks assorted out to carrier divisions, and 7 sacks from which the wrapping had never been removed, as the small clerical force is unable to handle this large and unusual amount of mail and the carrier force can not deliver it as rapidly as it is assorted; 5 bundles of Atlanta Journals, dated April 15, 1896, and weighing about 131 pounds, were marked "Sample copy," and addressed in bulk to postmaster, Portsmouth, Va., with a request that he distribute as well as he could. In mail prepared for dispatch was a large quantity of printed matter received from Seaboard Air Line Railroad Company's general office at Portsmouth, Va.; this matter was properly prepaid with postage stamps and addressed as follows: 1 sack Atlanta, Ga., 1½ sacks Georgia, 1 sack Columbus, Ga., and 2 sacks partly filled, addressed to Athens and Griffin, Ga.; there were also about 5 full sacks of this matter in the post-office, which the office force had been unable to cancel the stamps and dispatch, it all being addressed to offices in Georgia; the bulk of this matter was done up in rolls, weighing 1 pound each, with 8 cents in postage on each roll, which consisted of a schedule, copy of Salmagundi, and three pamphlets, advertising the country along the route of the Seaboard Air Line Railroad; also among this matter was a quantity of Washington, D. C., Times, dated April 10, 11, and 15, 1896 (and other dates); these papers were wrapped separately, marked "Sample copy," addressed to individuals, mostly in Atlanta, Ga., and bore 1 cent stamps. I learned (from mail weigher) that this matter prepaid with postage stamps averaged from 220 to 250 pounds a day.

Large quantities of Portsmouth (Va.) Stars were dispatched daily over Seaboard Air Line Railroad, in bundles of 25 copies, each bundle addressed to an individual at some station on Seaboard Air Line Railroad in North Carolina, South Carolina, or Georgia. At office of publication I witnessed the running off of the extra copies of the Stars, which is an afternoon paper, gotten out about 5 p. m.; a force is kept on duty until 11 p. m. at night, in order to prepare and dispatch the extra edition of the regular issue for the Seaboard Air Line Railroad. The extra issue began with April 7, about 6,000 copies being sent out daily until April 20; since that date about 3,000 copies daily. The list of addresses was furnished by the Seaboard Air Line Railroad Company, being made with typewriter, on large sheets of paper. There were on file the following addresses: Atlanta, Ga., 13 sheets; Columbus, Ga., 6 sheets; Auburn, Ga., 2 sheets; other addresses were mainly stations on Seaboard Air Line Railroad, as follows: In South Carolina: Greenwood, Saluca, Abbeville, Watts, Calhoun Falls. In Georgia: Heardmont, Elberton, Oglesby, Carlton, Five Forks, Athens, Statham, Winder, Auburn, Dacula, Lawrenceville, Gloster, Lilburn, Tucker, Montreal; recent list bore addresses for points beyond Atlanta, Ga. Another list had addresses in North Carolina stations on Seaboard Air Line Railroad between Charlotte and Ruthersfordton, N. C.

I interviewed Mr. Paul C. Trugien, editor of the Portsmouth (Va.) Star, who stated that Mr. E. V. McBee, general superintendent Seaboard Air Line Railroad, made arrangement with him at a satisfactory price to send a stated number of copies daily to addresses furnished by the Seaboard Air Line Railroad Company, about 25 to be sent in a bundle to each address. For the first ten days or longer 6,400 copies were sent daily; since then 2,800 copies daily, according to their instructions. During the period they were sending out the larger number it was necessary to keep on duty a night force. Though he was not told for what purpose the papers were desired, he had an idea, but with him it was a plain business proposition. The papers were not marked "sample copy," as they were not sample copies, not being intended to solicit subscriptions. If he was not entitled to mail them in this manner he did not want to do so, and had requested the postmaster to inform him if he was not entitled to send them in this manner.

April 24 I made an investigation at Atlanta, Ga.; in the post-office I was shown 4 or 5 sacks of bundles of Portsmouth (Va.) Stars, which could not be delivered, being improperly addressed, or addressees not known; other addressees would often throw them down in the lobby; it was estimated that 20 or 30 sacks of these papers had reached Atlanta, Ga. Wallace Rhodes, superintendent of mails, stated that on April 8, 1896, several sacks of Constitutions, Sunday edition, April 5, were brought

to the office, being labeled Monroe and Atlanta railroad post-office; on examination, he found they were in large packages, addressed to Norfolk and Portsmouth, Va.; on questioning John Lively, mailing clerk for the Constitution, was told that the reason he marked them that way was because he wanted them to go over the Seaboard Air Line Railroad (or rather the Georgia, Carolina and Northern Railroad), and was afraid they would be sent over some other road if merely addressed Norfolk and Portsmouth, but was assured that matter for those two offices was so dispatched, hence the sacks were afterwards labeled Constitutions, were Sunday's issue, and received twice a day for seven consecutive days, a record being preserved of the daily weights, usually three sacks in the morning and three in the afternoon or evening; up to 24th a separate weight of Journals had not been kept, but it varied from 100 pounds to 370 pounds a day. At the Atlanta Constitution building I learned from John Marshall, in the mailing division, that the regular Sunday edition was about 40,000 copies; that for the past three weeks they had gotten out about 5,000 extra copies which were mailed to Norfolk and Portsmouth, Va., at the rate of 800 copies each day. I saw 2 sacks at Portsmouth, Va., ready for dispatch (before leaving post-office examined 4 sacks), each copy of Sunday's paper weighs a fraction over half a pound.

R. A. Hemphill, business manager, stated that a gentlemen in Atlanta made arrangement with one of the editors of the Constitution for one month's subscription to the Sunday Constitution for 5,600 addresses in Norfolk and Portsmouth, Va. Three weeks had expired, hence the papers would be sent for one week longer, commencing with April 26. The editor (supposed to be W. A. Hemphill), with whom the arrangement was made, was out of the city, hence could not say who, on behalf of the Seaboard Air Line Railroad made the arrangement with him, but supposed it was probably the same man—Fleming—who made the arrangement with the Journal. The matter was a business proposition to them, and the Sunday edition was sent out daily for seven days as they were directed. They were not violating the law, as the papers were sent out to regular bona fide subscribers—that is, the subscriptions were to be paid for when bill was rendered. Did not see why the Department should kick as they were getting that much more postage. (Mr. Hemphill promised to send me the name of the Seaboard Air Line Railroad Company's representative who arranged with the Constitution's assistant editor, but he has not done so.)

W. C. Henderson, foreman of the Constitution, stated that he set up the addresses from pages of city directories; that one night 60 pages of a Norfolk directory would be furnished him, and the next night 60 pages of a Portsmouth directory (the Seaboard Air Line Railroad Company having checked off the names they wanted the paper sent to). Mr. R. A. Hemphill spoke up, saying: "I want you to make a note of that, showing we only sent the papers to the names they furnished us, being those that were checked off."

Mr. H. H. Cabaniss, business manager of the Atlanta (Ga.) Journal, stated that about two weeks ago Mr. Fleming, who is private secretary to Supt. E. Berkley, of the Seaboard Air Line Railroad, came to him and subscribed for one month's subscription to be sent to 1,000 addresses in Norfolk and Portsmouth, Va.; also made arrangements for 1,000 more copies to be sent daily to addresses in Norfolk and Portsmouth as "sample copy;" that he paid the regular price (50 cents a month) for the subscription; was glad to take advantage of this arrangement, as we were just then making a good run on a serial story, Sons and Fathers, which would help to advertise our paper, hence we sent our young man, Henry McCord, on to Norfolk and Portsmouth to work up subscriptions by streets, and for a while we sent him large numbers of sample copies in bundles to his address. Those large bundles sent to postmasters at Norfolk and Portsmouth were some we had fixed up to send to McCord, but as he had left my mailing clerk wanted to know what to do with them, and I instructed him to send them to the postmasters. These were sent for the interests of our paper, were marked "sample copy," and the Seaboard Air Line Railroad Company had no interest in these bulk packages (I did not learn in Norfolk or Portsmouth of any "bulk packages" other than those sent to postmasters). The lists were furnished by the railroad company's representative, from which the papers were mailed to the regular subscribers and the sample copies. The first lists were received from the Constitution, and afterwards city directories were furnished them. The sample copies for the railroad were marked "sample copy," as were his also, but his were only sent out in bulk packages.

I interviewed Mr. Van E. Fleming, private secretary to Supt. E. Berkley, of the Seaboard Air Line Railroad Company, but he preferred not to impart any information as to the transaction.

Mr. L. M. Terrell, superintendent Railway Mail Service, fourth division, Atlanta, Ga., called my special attention to the Sunday Constitution being dispatched every week day; also to the unclaimed Portsmouth (Va.) Stars.

April 25 I visited Raleigh, N. C. Guy L. Bunch, assistant mailing clerk, had reserved a memorandum of the weights of extra copies of the North Carolinian, weekly edition, sent over the Seaboard Air Line Railroad. Mr. Bunch stated that

the papers were done up in bundles of 45 copies to each address and were addressed to stations on the Seaboard Air Line Railroad system, mostly those in Georgia, several in South Carolina and in North Carolina between Charlotte and Rutherfordton. By comparing names with list of railroad employees Mr. Bunch ascertained that the parties addressed were station agents and other employees of the railroad company.

Mr. Josephus Daniels, editor of the North Carolinian, stated that Mr. Charley Williams (who is private secretary to General Superintendent E. V. McBee) came into his office to purchase some papers, but being very busy, he turned him over to Assistant Editor Whitaker, who made the arrangement to send out sample copies to the addresses furnished by Williams; he (Daniels) desirous of building up the circulation of his paper in South Carolina and Georgia, was entirely in ignorance as to why the Seaboard Air Line Railroad Company purchased and distributed the papers, and had he known it was on account of mail weighing, he would never have permitted them to have used the papers for that purpose, the arrangement being exceedingly objectionable to him; it was ascertained that papers were mailed as follows, to addresses furnished by Charley Williams: April 9, 6,000 copies; April 16, 8,000 copies; April 23, 8,000 copies. One more issue, April 30, had been bargained for, but Mr. Daniels refused to permit it to be mailed.

April 17, about 300 pounds Progressive South, published at Richmond, Va., was sent to Southern Pines, N. C., handled by Weigher Glenn. According to statement made by the publisher to Superintendent of Mails Fitzgerald, of Richmond, Va., this matter was shipped back by express, and on April 22 was remailed to Statham, Ga., being handled by Weigher Taylor, Norfolk and Rutherfordton, and Weigher Hulme, Monroe and Atlanta; April 21, Weigher J. W. Boyd, Monroe and Atlanta, also received 126 pounds of the Progressive South; the papers were addressed to O. S. Hayes, Statham, Ga., and were remailed to individuals in Eastern States, being properly prepaid with postage stamps; the publisher claims that the Seaboard Air Line Railroad had nothing whatever to do with the purchase and mailing of this paper.

May 1, Train 38, Weigher Taylor, received at Franklinton, N. C., 103 pounds of public documents addressed to J. B. Gordon, Washington, D. C., evidently being returned to Washington, D. C.

I wrote to postmasters at every station on Seaboard Air Line Railroad between Monroe, N. C., and Atlanta, Ga., requesting information as to quantities of sample copies of newspapers received during April, and number of sacks of public documents received in March, by whom franked, how addressed, etc. I received replies from all but two (which are both very small stations); while several in South Carolina received no unusual mail, quite a number received large numbers of Portsmouth Star and Raleigh North Carolinian during April; also public documents during March, franked principally by J. B. Gordon, United States Senator; replies from Georgia show that nearly every station received unusual paper mail during April or public documents during March; most of the documents were sent in bulk to railroad agent, and part of them were remailed to Georgia, South Carolina, North Carolina, and Virginia.

A few letters are worthy of note, as follows: Chester, S. C., 123 documents, franked by Gordon and Latimer, addressees not known; Cross Hill, S. C., documents franked by J. B. Gordon, addressed to railroad hands, were mailed at Forestville, N. C.; Greenwood, S. C., 6 sacks of documents franked by J. B. Gordon, addressees not known, after writing General Gordon for instructions postmaster was directed to return them to General Gordon; Abbeville, S. C., 10 sacks of documents franked by J. B. Gordon, majority of addressees not known; Carlton, Ga., 8 sacks of documents franked by Gordon, addressed to railroad agent, remailed to Virginia and North Carolina; Five Forks, Ga., 3 sacks of public documents, addressed to railroad agent, labels, lists, and instructions furnished by General Superintendent McBee and Division Superintendent Berkley, agent would only remail a portion; Athens, Ga., 12 or 15 sacks of public documents, franked by J. B. Gordon, can not be delivered, addressees unknown; Bogart, Ga., 4 or 5 sacks of documents franked by J. B. Gordon, General Superintendent McBee furnished labels to railroad agent, to be given to postmaster to remail; Statham, Ga., as to disposition of Progressive South, Richmond, Va.; Winder, Ga., railroad agent received and remailed about 500 documents; Auburn, Ga., several sacks documents received, part remailed; Tucker, Ga., 4 sacks of documents franked by Gordon, addressed to railroad agent and part remailed; Montreal, Ga., railroad agent (who is also postmaster) received 3 sacks of documents franked by J. B. Gordon, distributed a portion, then received an envelope of franks, and mailed to Portsmouth, Va. It appears that in remailing the documents care was not always taken to address properly, as large numbers failed of delivery at Chester, S. C., Greenwood, S. C., Abbeville, S. C., and Athens, Ga.

The following exhibits are submitted:

Exhibit A. Letters from postmasters in South Carolina.

Exhibit B. Letters from postmasters in Georgia.

- Exhibit C. Letters concerning Progressive South, Richmond, Va.
 Exhibit D. Letters concerning North Carolinian, Raleigh, N. C.
 Exhibit E. Weights of Portsmouth Stars, Atlanta Constitutions and Journals.
 Exhibit F. Memorandum of public documents, received in March.
 Exhibit G. Memorandum of mail weighers, for portion of April.
 Exhibit H. Letter to postmaster Portsmouth, Va.
 Exhibit I. Frank and portion of two extra papers received at Watts.
 Exhibit K. Specimens Sunday Constitutions sent to Norfolk and Portsmouth.
 Exhibit L. Specimen unclaimed Atlanta papers at Portsmouth, Va.
 Exhibit M. Specimen unclaimed Atlanta papers at Norfolk, Va.
 Exhibit N. Specimen copies Journals mailed Atlanta, Ga., April 24, p. m.

I have obtained accurate figures as to weight of North Carolinian from post-office at Raleigh, N. C.; also accurate figures as to weight of Portsmouth (Va.) Star from post-office at Portsmouth, Va., and accurate weight of Atlanta (Ga.) Constitution from post-office at Atlanta, Ga., but can not obtain accurate figures as to the weight of Atlanta Journal, except from April 24 to 30, inclusive, which was kept in Atlanta post-office. Previous to April 24 memorandum of extra numbers of Journals was not made at Atlanta, Ga., was not kept at Norfolk and Portsmouth, and the mail weighers did not keep the amount separate from the weight of the Constitution, hence I can only form an estimate from April 9 to April 23, inclusive, which I should suppose was about twice the amount, as shown by one-half the period during which the account was kept.

As no accurate record was kept as to the weight of Seaboard Air Line Railroad advertising matter, which was properly prepaid with postage stamps, no definite figures can be given, though 200 pounds a day would be a very safe estimate. The average would probably be 230 pounds. No record was kept for some time by mail weighers as to the weight of the matter prepaid with postage stamps.

Figures as to weights during April are as follows:

	Pounds.
North Carolinian, April 12 to 24, inclusive.....	2,451
Stars, April 8 to 30, inclusive.....	4,736
Constitutions, April 8 to 30, inclusive.....	10,066
Journals (one week), April 24 to 30, inclusive.....	949
Total	18,202
Public documents from Monroe and Atlanta, train 38, April 4.....	143
Public documents from Monroe and Atlanta, train 402, April 12.....	310
	18,655
Journal estimate, April 9 to 23, inclusive.....	1,898
Total	20,553

As near as it has been possible for me to ascertain, 20,553 pounds is the amount of extra mail transported over the Seaboard Air Line Railroad system, excluding Seaboard Air Line Railroad advertising matter and specimen copies of Washington (D. C.) Times, properly prepaid with postage stamps. The report is respectfully submitted.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

EXHIBITS REFERRED TO IN REPORT OF MAY 5, 1896.

EXHIBIT A.

Letters from postmasters in South Carolina as to receipt of extra papers during April and public documents in March, 1896.

WHITMIRES, S. C., April 23, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: Your communication in regard to sample copies of papers and extra mail sacks received at this office. Would state in regard to sample copies of papers I do not remember how many or to whom addressed. In regard to sacks of public documents, I think there were 3 sacks; they were marked Whitmires, S. C., sent by Hon. A. C. Latimer and Hon. J. B. Gordon. The railroad agent received 2 sacks with public documents, one addressed to him and the other one was put off through mistake. Railroad agent remailed them to Georgia, their destination.

Respectfully,

J. S. SPEARMAN, *Postmaster.*

VAN WYCK, S. C., *April 23, 1896.*Mr. GREGORY, *Post-Office Inspector.*

DEAR SIR: In reply to the attached, 2 packages of the Washington Post were received, addressed to postmaster; 1 package, The Comfort, addressed to E. W. Nisbet, and 1 sack of Hood's advertising circulars, addressed to the patrons of the office; 1 package addressed to Van Wyck, sample copies of the Mecklenburg Times; 2 sacks of public documents during March and 1 sack in April.

Yours, truly,

J. M. YODEN, *Postmaster*CATAWBA, S. C., *April 23, 1896.*

DEAR SIR: I am not positive, but think there have been sample copies papers sent here twice in April. It is the Mecklenburg Times, with about 1 dozen papers at the time, sent to Catawba, S. C. They would weigh, I suppose, from 2 to 3 pounds. And there have been about 3 sacks of public documents received during March, some off each road, addressed to patrons of this office; none remailed.

Yours, respectfully,

J. M. SIMPSON, *Postmaster.*HARMONY, S. C., *April 23, 1896.*H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: I have received at this office a few sample copies of newspapers, but don't remember name of addresses or name of paper.

No sacks of public documents in March; a few copies of public documents in April, addressed to T. M. Allen, G. B. Sweat, J. S. Glasscock, J. D. Comwell, and L. R. Roddy, from J. T. Strait, M. C.

Yours, respectfully,

W. T. ANDERSON, *Postmaster.*HICKLINS, *April 23, 1896.*

DEAR SIR: In reply to yours, two sample copies Home and Farm, addressed to postmaster at Hicklins. No public documents received during March.

Yours, respectfully,

W. T. LIGON, *Assistant.*RODMAN, S. C., *April 23, 1896.*H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: I received the attached slip in this a. m. mail. In reply will state that it is impossible for me to give number of sample copies of papers arriving, but the number has not been very great. They have been inclosed in wrappers addressed to Rodman and sample copies marked thereon inside. They were addressed to the patrons of this office; they mostly came as other mail. There were two sacks of public documents here; they were addressed to the patrons of this office and franked by J. B. Gordon, United States Senator. There is no railroad agent here, and none of the public documents have been remailed at this office since its establishment.

Respectfully,

SAMUEL J. LAWRIE,
*Postmaster, Rodman, S. C.*RENNO, S. C., *April 23, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: During April there were received at this office 1 sack of papers from C. G. Hood & Co., Lowell, Mass., 1 package of 8 papers, the Constitution, Atlanta, Ga., addressed to W. E. Bell.

There were about 50 documents sent by Stanyarne Wilson, M. C., Washington, D. C., addressed postmaster. I think it was in March. There are 1 or 2 sample copies in the mail every day or so; can't tell how many, as I don't remember.

Hope this will give you the information you need.

Yours, very respectfully,

J. W. C. BELL,
*Postmaster.*CLINTON, S. C., *April 23, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: During the month of April we did not receive any more sample copies than are usually in the mail, but did get 2 sacks of public documents. They were

registered to the Presbyterian College of South Carolina. And also during the month of March we received 2 sacks of public documents sent out to the public by J. B. Gordon, United States Senator, and also A. C. Latimer, M. C.

I think 400 pounds would cover what came to this office.

Yours, respectfully,

J. P. LITTLE, *Postmaster.*

MANNVILLE, S. C., April 23, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: In reply to your note of to-day I can only give the information you want from memory, as I kept no strict account. During April I received 4 packages Chicago Saturday Blades (extra); no account of weight taken. I also received in March 4 pouches public documents from J. B. Gordon, Washington, D. C. I turned over empty pouches to railroad company without any labels on them, in same condition as received.

They were put on southbound trains here. I may have received a few other small packages, but kept no record of weight, etc.

Respectfully,

SARAH A. MAMSE, *Postmaster.*

CROSSHILL, S. C., April 23, 1896.

H. T. GREGORY, *Post-Office Inspector.*

SIR: In reply will say, during the month of April there has been 1 package of papers addressed to L. W. Reeder, date April 20, published in Atlanta (the Constitution, weekly, half dozen copies), also 1 package of papers published in this county (the Silver Democrat, about 80 or 90 copies) addressed to the different patrons of this office. During March there were about 25 or 30 books of public documents weighing from 3 to 6 pounds addressed to different railroad hands sent by J. B. Gordon, United States Senate. One sack came to railroad agent, was not remailed at this office. There were also 2 small packages of public documents, very light and in pamphlet form, Stanyarne Wilson, M. C., and about the same in another little package from J. L. M. Irby, United States Senate, all from Washington, D. C., sent to the different patrons of this office. Some of the documents, in book form, were mailed at Forestville, N. C.

Respectfully,

E. R. GRANT, *Postmaster Crosshill, S. C.*

CHESTER, S. C., April 23, 1896.

H. T. GREGORY, Esq., *Post-Office Inspector.*

DEAR SIR: In reply to your note of this a. m., would say that I received during the month of March from Monroe and Atlanta railway post-office the following public documents: One hundred books under frank of J. B. Gordon, 12 books under frank of A. C. Latimer, 13 books under frank of J. B. Gordon, originally addressed to Hester, S. C., and afterwards changed to Chester, S. C. The above books are still in my office, as I do not know a single party to whom they are addressed.

I have received none addressed to the railroad agent. As to sample copies of extra papers, I have received no unusual amount. No record is kept of this, so it is impossible for me to give names or how addressed of those received.

Respectfully,

C. A. YOUNGBLOOD, *Postmaster,*
By J. W. MCKEE, *Assistant.*

LEEDS, S. C. April 23, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: Yours of this a. m. to hand. Am as requested. I can not give correct statement of newspapers received in mail for April. I don't seem to have any extra copies on hand now.

Sample copies arrive in nearly every mail and I give them out as fast as they come to parties addressed to. I don't remember the number or the name of papers. I have 3 sample copies of the Metropolitan and Rural Home of New York addressed to E. Wilkes, J. Wilkes, and C. Still.

I have not received any sacks of public documents. I have received 3 books, public documents, 1 to myself, 1 to Mr. J. McCallum, and 1 to William Carter. The labels were furnished by Hon. T. J. Strait.

Yours, truly,

J. R. MCCALLUM, *Postmaster.*

P. S.—The public documents were received in April. I did not receive any in March.

CALHOUN FALLS, S. C., April 23, 1896.

DEAR SIR: Below please find names to whom sample copies were addressed to. Name of paper, the North Carolinian; weight, about 125 pounds:

Adam Jones.	William Gunn.	J. Sullivan.
William Glenn.	William Hill.	Alford Leach.
James Davis.	James Davis.	William Hill.
Peter Grier.	J. Brown.	Adam Jones.
J. Sullivan.	Adam Jones.	J. R. Culp.
J. Brown.	J. E. Waddell.	Ben Monegard.
Jake White.	Alfred Leach.	Peter Grier.
Alford Leach.	Peter Grier.	Wm. McCully.
J. R. Culp.	Wm. McCullough.	
Jake White.	J. White.	

There were about 5 or 6 sacks of public documents mailed by J. B. Gordon and addressed to R. M. Rose, former agent of this place; the present agent, J. R. Culp, took charge of same. Do not know what disposal he made of them.

Yours, respectfully,

ED. KEISER, *Postmaster.*

WATTS, S. C., April 23, 1896.

MR. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: Yours to hand. Have received a good many bundles papers addressed to different parties. These papers have been coming for, I think, about two weeks and about two or three times each week. They are marked "Sample copies." Could not say how many pounds, as I never weigh mail not bearing postage.

I send you the names of the papers, and I think I received 4 sacks of public books during March. They were all for agent (railroad) in bulk, not addressed on books at all. Agent thought the books were for him to distribute among friends, and he gave them away to any and every one who came along.

The agent toward the last mailed some of the books to parties at Honea Path, S. C., and Belton, S. C. I think this is all that I can think of to write you. I don't know how he came to get instructions to remail the books. I send a piece of frank from off a book.

Hope this is the desired information.

Yours, truly,

G. S. WILSON, *Postmaster,*
Per F. W. WILSON, *Assistant.*

ABBEVILLE, S. C., April 23, 1896.

H. T. GREGORY, Esq., *Post-Office Inspector.*

DEAR SIR: We have received as well as I can remember 4 mail bags of sample copies of papers (some are marked sample copies and some are not). They are all addressed to persons in the employ of the Seaboard Air Line Railroad or who has been in their employ.

The Portsmouth Star was one of the papers which was received here—they were put up packages—containing 45 copies each and weighing about 3 pounds to the package. The North Carolinian is another paper. I should think each bag would weigh about 70 or 75 pounds. We have received about 10 mail bags of public documents in the month of March bearing the frank of John B. Gordon. A great many of these public documents are addressed to employees of the Seaboard Air Line Railroad, but the majority of them are addressed to persons unknown to me. I am sorry I can not give you further information concerning these documents and papers.

Yours, very truly,

ROBB. S. LINK, *Postmaster.*

The dates of the Portsmouth Stars are April 7 and 18. The North Carolinian is published at Raleigh, N. C., and bears dates April 9 and 16.

I do not remember the dates they were received at this office.

R. S. L.

GREENWOOD, S. C., April 23, 1896.

MR. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: We have now in the office 38 packages (50 copies in a package) newspapers, about 115 pounds—the North Carolinian, date April 18, published at Raleigh, N. C.; the Star, published at Portsmouth, Va., date April 9. They are addressed to David Wardlaw, C. W. Smith, C. W. Price, W. Wideman, L. Johnson, and Henry Turran. Quite a number of them have no address, or it is torn off. Each of these

parties has two or more packages. Now, the same mail brought similar packages in size, etc., for each employee for the Seaboard Air Line living here.

Now, in March we received 6 canvas sacks of books from Washington, D. C., sent out by Senator John B. Gordon, of Georgia. They were sent here by mistake. I copied a number of the names on the books and sent them to General Gordon, and told him to have his secretary to examine the list and see what Greenwood they were intended for, and write me and I would forward them to their proper destination. He wrote me to forward the entire lot back to Washington, D. C., which we did. Will be glad to give any further information.

Yours, respectfully,

L. M. MOORE, *Postmaster.*

SALUCA, S. C.

Several packages papers received. I think two addressed Postmaster, Saluca; two J. C. Utsey, two Mrs. I. C. Utry. Name of papers, Portsmouth Star and the North Carolinian.

None of these papers have been remailed at this office. As to public documents, they were sent by A. C. Latimer, addressed to nearly every man in community. The railroad agent received only one document through this office.

None of them have been remailed at this office.

W. G. RICE, *Postmaster,*
Per P.

WAXHAW, N. C., *April 23, 1896.*

Mr. H. T. GREGORY:

There are very few extra or sample copies received at this office—a few sample copies of the Biblical Recorder. I will give you a list of the papers that come to individuals. They come in bundles, but each has the party's name on it, namely: North Carolina Presbyterian, weekly; Christian Advocate, weekly; Atlanta Constitution, weekly; Home and Farm, semimonthly; Charlotte Democrat, weekly; Monroe Enquirer, weekly; Monroe Journal, weekly; Our Home, weekly; Lancaster Ledger, weekly; Lancaster Enterprise, weekly; Ram's Horn, weekly; Charlotte Observer, daily; Atlanta Journal, daily; 1 copy of the Memphis Appeal.

I never kept any record of the weight of the papers that we receive here. The Monroe Journal has the largest circulation at this office, the Enquirer the next, Our Home next. We hardly ever get any sample copies. They throw off from 1 to 2 paper sacks every day, but very often they only have 1 or 2 in a sack—that is, 1 or 2 papers.

Yours, with respect,

D. C. McDONALD, *Postmaster.*

CARLISLE, S. C., *April 24, 1896.*

Mr. H. T. GREGORY,

Monroe and Atlanta Railway Post-Office.

MY DEAR SIR: My assistant was in the office yesterday, and I did not see your communication till this a. m.

I received 2 pouches during March, 1 containing public documents franked from J. B. Gordon, United States Senate, and 1 containing circulars.

The public documents were sent to the colored patrons of the post-office, but I don't know their names now. I have not sent out any sample copies, extra pouches, or public documents, etc.

If I have not answered your questions correctly, please let me know and I will endeavor to do so. I am afraid I do not understand you fully, as I do not keep a record of sample copies of papers received, etc. The railroad agent has sent no pouches from here.

I remain, respectfully,

M. RUSSELL JETER, *Postmaster.*

H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: No extra copies of papers received for this office; only 1 sack in March, Hood's Sarsaparilla, which I suppose comes under the class you refer to. Received in April at this office, for Goshen Hill, 1 sack, which I suppose was the same class of mail.

No public documents have been received or passed through this office for a long time.

Very respectfully,

W. M. ENGLISH,
Postmaster.

DELTA, *April 23, 1896.*

EDGMOOR, S. C., *April 25, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: There were sample copies of the Bible Reader and Rural Home newspapers received here on April 2. I do not remember whom they were addressed to. There were 2 pouches of public documents received during March and April—1 from Senator Gordon, 1 from Representative Strait. I do not remember who Representative Strait's were addressed to; Senator Gordon's were addressed to the section master and his hands.

Yours, truly,

J. D. GLASS, *Postmaster.*POTTER, N. C., *April 27, 1896.*

Mr. H. T. GREGORY.

DEAR SIR: In reply to yours of the 25th, will say there has been no sample copies of papers received at this office during this month, except the Metropolitan and Rural Home. They were addressed to postmaster at Potter on wrapper. The papers had names of some of the patrons of this office on them and we delivered them accordingly. Don't remember all the names, but can find them out if you wish it.

There were about one dozen copies in all sent at two different times. Don't remember dates.

There were no sacks of public documents received at this office during the month of March.

Very respectfully,

A. L. HELMS,
*Postmaster, Potter, N. C.*OSCEOLA, S. C., *April 27, 1896.*

The POSTMASTER-GENERAL.

DEAR SIR: The inclosed slip was received at this office just as I inclose it, open, not in an envelope of any kind; also I have received another similar to this asking for the same information, but inclosed in an official envelope. I ask for instruction. Is it lawful, and must I answer him?

Very respectfully,

W. R. GORDON, *Postmaster.*RODMAN, S. C., *April 27, 1896.*Mr. H. T. GREGORY, *Newbern, N. C.*

DEAR SIR: I wrote you statement and placed in mail, as requested, on day that I received the slip, and placed in envelope addressed to you. As to the number of sample copies of papers I can not tell, as I kept no record. There has not been a great many. The name of paper, Metropolitan and Rural Home. Do not remember date of paper. They were inclosed in wrapper addressed to patrons of this office, and were delivered to the parties addressed, except some few copies addressed to patrons that had moved from this place; such were given to some one that would ask for them. As to public documents arriving at this office, there has been 2 pouches this spring. They were addressed to patrons of this office and were delivered to the parties addressed. There is no railroad agent at this place, and there has never been any sample copies or public documents remailed at this office since its establishment.

The documents that arrived here were franked by J. B. Gordon, United States Senate.

Respectfully,

S. J. LAWN, *Postmaster.*CATAWBA, S. C., *April 27, 1896.*Mr. H. T. GREGORY,
Post-Office Inspector, Newbern, N. C.

DEAR SIR: Yours received this a. m. of the 25th instant. I sent you answers to the questions about that date. Hope you have received them ere this, but will answer again. I have received sample copies I think twice in April of the Mecklenburg Times. There was about one dozen copies in each package, weighing about 2 to 3 pounds each. They were directed to Catawba, S. C., on outside wrapper. I distributed them to the patrons of this office as samples. There was 3 sacks of public documents received here in March. They were for parties near here, etc., and directed to them, and were handed to them by me from this office and were not remailed. There has been no papers of Stars of Portsmouth nor of Raleigh, N. C., sent here at all. I do not know the exact weight of the documents as I did not weigh them.

Yours, very respectfully,

J. M. SIMPSON, *Postmaster.*

EDGMOOR, S. C., *April 27, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: I inclose you duplicate of my answer to your former communication mailed to you as requested (on next train). There have been no sample copies of papers mentioned received, and no mail has been remailed by railroad agent.

Yours, respectfully,

J. D. GLASS, *Postmaster.*

EXHIBIT B.

Letters from postmasters in Georgia as to receipt of extra papers during April, and public documents during March, 1896.

ATHENS, GA., *April 23, 1896.*H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: In answer to your communication of this date can only say that nothing unusual has been received at this office except 12 or 15 sacks of public documents, regularly addressed to the names of parties whom we do not know, Athens, Ga., franked by J. B. Gordon. We have no record of the number of pounds of papers received, or the number of pounds of any other mail received, nor do we get record of sample copies received. Please report documents above on hand here; we do not know what to do with them.

Very respectfully,

JAMES O'FARRELL.

LILBURN, GA., *April 23, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: In answering your request of 23d instant, will say there were samples came here for my son, A. J. Young, who is agent for Atlanta Constitution, and also 2 or 3 bundles of samples of some kind of papers for A. R. Norris, agent Seaboard Air Line; also there were 3 or 4 sacks of public documents came here for A. R. Norris, railroad agent. The labels on sacks were marked for A. R. Norris. The first that came, I think, he gave them out to different persons at this place; as to those others I can not say, as he carried them to the depot. As to the weight I do not know; they were very heavy sacks. As to the remailing I do not know, as they did not come through this office. I always turn over all empty sacks to the agent to be put on the train. He could have put such things in those empty sacks before putting on the train, though I can not say as I do not know. Hoping same is satisfactory,

I am, yours, truly,

JAMES S. YOUNG, *Postmaster, Lilburn, Ga.*

P. S.—As to labels, I know nothing of it, or who furnished same.

J. S. YOUNG, *Postmaster.*ELBERTON, GA., *April 23, 1896.*Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: In reply to the inclosed, I am very sorry I am unable to give you this information. This was not a weighing point during the weighing period, and we did not keep up with it.

So far as we know, though, there was nothing irregular in this respect here, and nothing irregular could have happened without our knowing it.

Truly, etc.,

JNO. T. HEARD, *Postmaster.*WINDER, GA., *April 23, 1896.*

Mr. H. T. GREGORY.

DEAR SIR: Yours to hand. We have received 3 crokers full of newspapers, North Carolinian and Portsmouth Star, about 50 pounds to the sack, 150 pounds in all, addressed to the Seaboard Air Line Railroad employees. Received about the 9th, 12th, and 19th of this month. As to public documents the Seaboard Air Line agent did receive a lot of books and then remailed the same, about 500 pounds, I say to the best of my judgment. They were addressed to people all over the State. I have been thinking about asking Terrell about so much stuff, as I did not care to meddle, but thought it my duty to take care of United States interests.

Respectfully,

A. A. CAMP, *Postmaster.*

STATHAM, GA., April 24, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector*:

The name of extra or sample copies of papers received at this office during April was the Portsmouth Star and a North Carolina paper, supposed to be something near 100 pounds. I can not give date. Addressed to different people in the community.

Two sacks of public documents in this office during the month of March. Forwarded by the Department or the Hon. J. B. Gordon and F. C. Tate, addressed to different people of the town and community.

The railroad matter you speak of I do not know anything about. There was not any extra labels brought to this office.

Respectfully,

M. J. TUCKER,
*Postmaster, Statham, Ga.*H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: There were 24 bundles of papers came to this office, supposed to be from 25 to 50 in a bundle, part of them from Portsmouth, Va., April 8, the others from Raleigh, April 14, 1896, all addressed to the section master and his hands at this place. The Virginia papers were the Portsmouth Star. Don't know the name of the North Carolina papers.

In March—don't know the date—there was 3 sacks of public documents came to this office, all to same parties. Mr. J. E. Turner, agent of this point, says he received 7 packages he remailed to parties in Georgia. Had list supplied him by Superintendent E. Berkeley, Atlanta, Ga., of parties in Virginia and North Carolina. He thinks the general passenger agent, Anderson, or General Superintendent V. E. McBee, Portsmouth, Va., furnished him with labels. You can get good testimony from the agent here, as he has been freely down on this swindle. He would not remail to Virginia and North Carolina parties.

Respectfully,

W. H. BEERSE,
Postmaster, Fireforks, Ga.

BOGART, GA., April 24, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: I will give the best answers to your inquiries that I can. There has been about 8 or 9 sacks of the Portsmouth Star sent to this office in last two days—do not know the number of copies or pounds—all dated April 20, 1896, addressed with pencil, on margin at top of outside paper on each bundle, to people who live here or in the country all around.

During March there was received at this office about 4 or 5 sacks of public documents with John B. Gordon's name on label. They were nearly all addressed to J. E. Yarbrough, the former railroad agent here, but at that time night operator at Athens. He was notified, and requested me to give them out, as he supposed they were intended for distribution.

After I had given the greater part of them out, Mr. McBee left a lot of labels with depot agent to hand me to put on the parcels and forward to offices on labels, which were all in the Carolinas.

I forwarded all I had on hand except a few that were addressed to people at this office.

Respectfully,

J. M. DOOLITTLE, *Postmaster*.

HEARDMONT, GA., April 24, 1896.

Mr. H. T. GREGORY.

DEAR SIR: Some time ago there were several sacks of books franked by J. B. Gordon and directed to H. W. Livingston (former agent here), and delivered to him. Do not know of any instructions he had. He had to remail them. There has also been received at this office several bundles of papers from Portsmouth, Va., which have also been delivered, except 5 or 6 bundles; also two packages from A. C. Latimer to Jim White and J. R. Warren.

Respectfully,

W. H. MATTOX, *Postmaster*,
By Z. B. TAYLOR.

DACULA, GA., April 24, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: I have received during April at my office 2 packages, the North Carolinian, published at Raleigh, N. C., 1 package dated April 16, 1896; do not know the date of other package. Would say that each package, from size, contained 8 or 10 copies, addressed to C. C. Harris, who is depot agent at this place. I have

received during March 2 or 3 sacks of public documents; I do not know by whom forwarded. They were addressed to the citizens who get mail at my office.

The railroad agent received 1 sack public documents and delivered them to the citizens. He also remailed 2 public documents at my office; one was addressed to some point in Virginia, and I think the other to some point in North Carolina. I do not know what railroad officials furnished him with labels, list, or instructions.

Yours, very respectfully,

JOHN W. FREEMAN, *Postmaster.*

LAWRENCEVILLE, GA., *April 24, 1896.*

Hon. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: Your note to hand asking for a statement from me as to the the amount of sample copies of papers received at my office during April, and how many sacks of public documents, and by whom sent, etc. I am unable to give you the desired information, having kept no record of same. I have received possibly 2 sacks of public documents. One from John B. Gordon, Senator, and one from F. C. Tate, Congressman, but can't give the information about sample copies of papers. There has been and is occasionally some sample copies arrived here through the mails from different points. There has been no remailing of any papers or public documents here since T. E. Winn used his frank as Congressman. Sorry I am unable to give you the correct information.

Yours, etc.,

N. S. ROBINSON, *Postmaster.*

LUXOMNI, GA., *April 24, 1896.*

POST-OFFICE INSPECTOR.

DEAR SIR: There has been no extra sacks of sample copies sent here in April; if any sample copies in regular sacks I do not remember them. I know there was no extra sacks of public documents put off here in March.

Respectfully,

JAMES R. GARNER, *Postmaster.*

TUCKER, GA., *April 24, 1896.*

Mr. H. T. GREGORY.

DEAR SIR: In reply to your note, will say there have been about 600 copies sample papers come to my office, addressed to the section hands and foremen. The name of one of the papers is the North Carolinian, the other is the Portsmouth Star. I do not know how many pounds, and there were 2 sacks. One came April 18, and I do not remember when the other came, but near the same time. There have been 5 sacks of public documents, franked by L. F. Livingston and J. B. Gordon. The ones that Livingston sent were addressed to the people in the community and the ones that Gordon sent were not addressed to anyone. The railroad agent received 4 sacks and remailed part of them; I do not know what point and I do not know who furnished him with labels or instructions.

Respectfully,

A. G. CHEWNING, *Postmaster.*

ATLANTA, GA., *April 24, 1896.*

Mr. H. T. GREGORY, *Post-Office Inspector.*

DEAR SIR: In answer to your questions will state in the month of March I received 3 pouches of public documents from General Gordon, United States Senator from Georgia, all of them marked in my name without any explicit instructions in regard to them. After they remained in the office about a week, I concluded they were for general distribution in my vicinity and I commenced to distribute them, and had given the most of them away when I got an envelope of franks to send them to parties in Portsmouth, Va. The remaining number on hand, some 7 or 8, I sent. In April I had received 3 bundles of papers, 1 from Portsmouth, Va., the Portsmouth Star, and 2 bundles of the North Carolinian of two different dates; first bundle, about 20 papers, and the second 42 papers, Portsmouth Star, 20 papers, all of them marked W. W. Willcox. I supposed they were sample copies for distribution and have distributed the most of them. Do not know the weight of any of them. Hoping I have answered your questions satisfactorily, I remain,

Yours, truly,

WILLIAM W. WILLCOX,
Postmaster, Montreal, Ga.

NORTH DECATUR, GA., April 24, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: As your request for statement of sample copies came unexpected, I can not give you full information as I desire to do. I should say that we receive about 2 sample copies of newspapers per day; such as Comfort, Fireside Visitors, Lanes Paper, Vickerys. A great many have to be forwarded as they are addressed to persons who have removed.

We received 2 sacks of public documents from J. B. Gordon, addressed to W. W. Haygood 2, Jim Phillips 2 or 3, Jessie Stroud 2, Hubert Winfield 2, P. L. Rudisail 2, Frank Rattiff 2, Scott Johnson 2, Marshall Logan 2, etc. The name of railroad agent is A. L. Rudisail. All books that had to be forwarded I sent by mail to Atlanta post-office except W. W. Haygood's and Jim Phillips's; these live at Statham, Ga., and I sent books to agent to send to addressees as W. W. Haygood has instructed me to send his mail to agent to forward.

We have also received some circular documents from H. G. Turner, of which all have been delivered; one forwarded by mail.

I do not know weight or exact amount.

Will be pleased to give any information in my power.

Yours, respectfully,

HENRY R. SCHURTER, *Postmaster*.

OGLESBY, GA.

No reply received from Oglesby, Ga.

CARLTON, GA., April 24, 1896.

H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: The sample copies of papers received at this office during April appeared to be mostly the Portsmouth Star, about 8 or 10 packages, about 25 copies each, weighing something near 1½ pounds each package; do not remember dates; near the 10th instant; addressed to agent, section master, and number of section crews.

About 8 sacks of public documents were received here during the month of March, franked by John B. Gordon, addressed to D. May, railroad agent. Mr. May remailed them to points in Virginia and North Carolina. Do not know who furnished lists or instructions to agents.

Most respectfully,

L. H. EBERHARDT,
Postmaster, Carlton, Ga.

COMER, GA., April 24, 1896.

H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: The Atlanta Constitution sends to this office occasionally a small roll of sample copies for distribution. I think they have sent one roll this month that would weigh about 2 pounds (about 12 copies).

I think that J. B. Gordon, United States Senator, sent 5 sacks public documents in March to H. E. Edwards, railroad agent, who authorized me to distribute them to the people who get their mail at this office. He did not remail any of them.

Respectfully,

W. P. ROWE, *Postmaster*.

AUBURN, GA., April 24, 1896.

H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: Replying to attached, will say I received 2 sacks of papers last week from Raleigh, N. C., and 1 from Portsmouth, Va. They were in packages. All packages addressed to individuals, and are being delivered whenever called for by those to whom they are addressed. As for public documents received, Mr. J. C. Flannigan received 2 packages from John B. Gordon; they were delivered to consignee on arrival. Perry Rainey College, 1 sack 49 books, supposed from F. C. Tate, Member Congress; registered and receipted for by president of college, and receipt returned. Two sacks received addressed to individuals; all delivered except two, and they were forwarded to proper address where parties had moved away. Two sacks addressed to Seaboard Air Line agent; he received tags addressed to different parties through the country. They were put in sacks and sent to Atlanta. Two sacks sent by J. B. Gordon, addressed to J. J. McKellar, individually. He instructed Agent Jones, of Seaboard Air Line Railway, to distribute them to citizens, and they were so distributed, but no record kept of who they were given to.

Respectfully,

J. O. HAWIHERN, *Postmaster*.

CARL, GA., April 24, 1896.

Mr. H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: I do not remember to have received any sample copies of papers during April. I think there have been about 3 pouches of public documents received during March and April and several in the regular mail, several copies of which had been forwarded from different offices, but the parties here received them. This is distributing office for Windsor route, and open pouches of supposed public documents have passed through my office for that route, but I paid no particular attention to weight, as I did not think it necessary. The Journal and Constitution are about the only sample copies that circulate through my office to amount to anything, and I have not received any of them lately. As to public documents, I do not think any more have come to or through this office than usually do at this season of the year. Will be glad to furnish any further information that I can.

Yours, truly,

JESSE S. PATE, *Postmaster*.

DOWDY, GA., April 24, 1896.

H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: I have not been in charge of the office but a short time. I took charge on April 1, 1896. Therefore I can not tell anything as to how many public documents were received here during March, as I was not in charge. There was none in the office when I took charge, April 1. I have not received any sample copies of papers since I took charge that I know of. All mail has been addressed to some one since I have been here.

Yours, truly,

CHARLEY T. BULLOCK, *Postmaster*.Mr. H. T. GREGORY, *Post-Office Inspector, on Train*:

Yours received and noted. There has been only 1 package of sample copies of papers received. They were the Atlanta Constitutions, and addressed to postmaster—I think 1 dozen—can not now recollect date. There were 4 sacks of public documents addressed to J. W. Carr from John B. Gordon, United States Senator. Mr. Carr is railroad agent at this place. He distributed to his friends, and has a number now on hand for distribution. He did not remail any through this office, so I can not tell who furnished him the labels if he remailed any to other points.

I am, most respectfully,

E. B. HEARD,
Postmaster, Middleton, Ga.

MIDDLETON, GA., April 27, 1896.

Mr. H. T. GREGORY,
Post-Office Inspector, Newbern, N. C.

DEAR SIR: Yours received and noted. I, at your request, mailed you answers to your questions on first train after receiving same. Did not know to what point to address you, so addressed to you and put it in mail.

There were received at this office 4 sacks of public documents addressed to J. M. Carr, from J. B. Gordon, United States Senator. Mr. Carr is the railroad agent. He distributed a good many to his friends, and has now on hand 1 sack which he has not disposed of. He did not mail any through this office, so I can not tell what official furnished him with labels and gave him instructions. There has been received during this month 1 bundle of Atlanta Constitutions, 1 dozen, dated March 30, addressed to postmaster. There has been none mailed from this office to any other; neither has there been any other periodicals or papers mailed to any other office through this office unless addressed and postage paid as the law directs.

Mr. Carr received several copies of Elberton Tribune, and mailed several to other points, properly addressed and postage paid. I can not tell how many he mailed or sent on train, as I have no way of getting at that information.

Respectfully,

EUGENE B. HEARD,
Postmaster, Middleton, Ga.

GLOSTER, GA., April 27, 1896.

H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: Yours of the 25th to hand. There have been 16 bundles of sample papers received at this office this month from Portsmouth, Va., and Raleigh, N. C. I do not know how many were in a bundle. I saw them go to parties addressed. Some of them are here in this office; have not been called for. There were 5 or 6 pouches of public documents from Washington. I gave them to parties addressed.

Yours, respectfully,

D. T. BROWN, *Postmaster*.

BRADEN, GA., *April 27, 1896.*H. T. GREGORY, *Post-Office Inspector.*

SIR: Yours at hand. Will say in reply that I have no recollection of any sample copies coming to this office in the month of April of any kind.

In answer to your second request will say there was only 1 pouch of public documents came to this office in March, entitled West Virginia Album, forwarded by Wells, Richardson & Co., 125-133 College street, Burlington, Vt.

We have not received any of the papers you have special reference to.

Respectfully,

J. D. KIMBRELL, *Postmaster.*STATHAM, GA., *April 30, 1896.*H. T. GREGORY, *Post-Office Inspector, Goldsboro, N. C.*

Your letter of 27th received and has my attention. I learn from the railroad agent that 4 sacks of papers were sent to Col. O. S. Hayes, of the Progressive South; that Col. O. Hayes is sending them with the Southern News to the New England States to advertise this county. I never saw the papers until they were brought to my office to be mailed in single wrappers. I will cancel \$50 or \$60 worth of stamps in sending them out. I think they are trying to build up the towns along this new road with Eastern settlers. I can't say who sent the papers or who paid for them; they were sent to O. S. Hayes and he is sending them out through my office. I have already sent out 7 or 8 sacks of papers to New Jersey, Massachusetts, New Hampshire, and Connecticut. This is about all the information I can give you now.

Very respectfully,

M. J. TUCKER,
Postmaster, Statham, Ga.

EXHIBIT C.

RICHMOND, Va., *April 29, 1896.*

SIR: Referring to your letter of the 27th instant, relative to extra copies of the Progressive South sent to Southern Pines, N. C., and Statham, Ga., etc., I have the honor to say the Progressive South is a regularly admitted second-class publication, published monthly in this city, and is devoted mainly to the upbuilding of Southern industries and the promotion of immigration to this and other Southern States. The Seaboard Air Line Railroad has nothing whatever to do with the publication or its management. It has an advertisement on the front page of its cover, for which it pays so much per annum in cash. The papers that were first sent to Southern Pines, N. C. (through mistake), are said to be the very same papers that were afterwards sent to Statham, Ga. It seems that a copy of the regular edition fell into the hands of some one at Statham, Ga., who was so well pleased with the general get-up of the paper that he bought and paid the regular price for a considerable number of copies of the March issue, and these must be the papers that were remailed from Statham, Ga. We are unable to say just how many sacks were sent over the Seaboard Air Line Railroad, but several sacks, say from 1 to 5, were sent to one address to Southern Pines, N. C., and afterwards to Statham, Ga. The sacks were brought to the post-office late in the evening, were already made up and labeled, and they were weighed and dispatched without being examined by the clerk on duty at the time. The total weight of the paper sent out during the present month is 977 pounds. Of this amount we have no means of telling just how much should be charged to the extra copies. The extra papers were not sent out as sample copies, but were sold for cash to an individual. The above information was received in the main from the manager of the publication, who assured me that he did not intend in any way to violate any rule or regulation of the Department. He was under the impression that a publisher could send out as many extra copies of his paper as he saw fit, and at the pound rate of postage. I called his attention to ruling 155, on page 928, Annual Guide, and also to section 302, Postal Laws and Regulations, and he promised to see there should be no violation of them on his part. The management has an able and competent man in the field, traveling from place to place for the purpose of gathering such data as is necessary to the wants of the paper, and from the data furnished by this agent the articles are prepared by the management. This is about all the information I am able to furnish you with at this time.

Very respectfully,

J. G. FITZGERALD,
Superintendent of Mails.

H. T. GREGORY, Esq., *Newbern, N. C.*

RICHMOND, VA., May 4, 1896.

Respectfully returned to H. T. Gregory, esq., post-office inspector, Washington, D. C.

Your favor of the 2d received this morning. In reply to your inquiry of last week, I have the honor to say that as soon as I could after getting your letter I went to see the publisher of the *Progressive South*, and there wrote you a long letter with all the facts I could gather in the case. The letter was sent to you at Newbern, N. C., and, I reckon, has reached you before this. If it has not, let me know, and I will send you another copy. The same papers were mailed twice; first to Southern Pines, N. C., "through mistake;" were returned by express to the publisher, and mailed the second time, to Statham, Ga. The whole weight of the March issue was over 900 pounds. From 1 to 5 sacks were sent over Seaboard Air Line Railroad, about 30 to 40 pounds to a sack. Letter explains all that I could learn in the matter.

J. G. FITZGERALD,
Superintendent of Mails.

EXHIBIT D.

Raleigh (N. C.) *North Carolinian*, extra copies sent over Seaboard Air Line Railroad during April, 1896, weight as follows:

	Pounds.
April 12	225
April 13	98
April 14	375
April 16	530
April 18	308
April 23 and 24	915
Total.....	2,451

RALEIGH, N. C., April 12, 1896.

Mr. H. T. GREGORY,
Post-Office Inspector, Greensboro, N. C.:

Inclosed find three tags off the three bags of books sent here to help increase weight. I think other fraud is being perpetrated by Seaboard Air Line. Inclosed find letter I originally intended sending Superintendent Vickery, which will explain

Respectfully,

GUY L. BUNCH, *Assistant Mailing Clerk.*

RALEIGH, N. C., April 11, 1896.

C. W. VICKERY,
Superintendent Third Division Railway Mail Service, Washington, D. C.:

The *North Carolinian* mailed from this office to-day 303 pounds sample copies addressed to various persons at the following places, which you will see are mostly on the line controlled by the Seaboard Air Line, viz: Abbeville, S. C.; Saluca, S. C.; Greenwood, S. C.; Calhoun Falls, S. C.; Heardmont, Ga.; Elberton, Ga.; Watts, S. C.

There might have been a few single sheets addressed to other places, but not over 3 pounds.

I do not know at whose instance these sample copies were sent, but am informed by the editor that there will be another lot next week (the present one).

Trusting that you will use this to prevent fraud upon the Post-Office Department, and also that you will not use my name in the matter, I am

Yours, truly,

GUY L. BUNCH,
Assistant Mailing Clerk.

RALEIGH, WAKE COUNTY, N. C., April 19, 1896.

Mr. H. T. GREGORY.

MY DEAR SIR: Below I append a list of the weights of the *North Carolinian*, over and above their usual issue, weighs 235 to 250 pounds. I have not been able to secure the addresses on the packages, but from a comparison of the addresses on some of the first lot sent through I found that they were going to the agents of the Seaboard Air Line in South Carolina and Georgia. They have also sent a great many to Shelby, Lincolnton, Mooresboro, Mount Holly, and other points in western North Carolina that could be reached via other lines. When possible I have sent this matter by other lines than the Seaboard Air Line. I have called the postmaster's attention to the fact that the *North Carolinian* was sending out more sample copies than is allowable under postal laws and regulations. He informed me that it was best to overlook as far as possible matters of this nature. Now, while I do not want

to be made to appear as dictating his policy to him, yet for my own sense of the oath of office I have taken I feel that some action should be taken in the matter.

April 12, 1896, 303 pounds, about 225 pounds via Norfolk and Rutherfordton Railway Post-Office, and the remainder via Goldsboro and Greensboro Railway Post-Office.

April 13, 1896, (61 and 37 pounds) 98 pounds all by Norfolk and Rutherfordton Railway Post-Office.

April 14, 1896, 438 pounds, about 375 pounds by Norfolk and Rutherfordton Railway Post-Office, and the remainder by Goldsboro and Greensboro Railway Post-Office.

April 16, 1896, 530 pounds all by Norfolk and Rutherfordton Railway Post-Office.

April 18, 1896, 308 pounds all by Norfolk and Rutherfordton Railway Post-Office.

April 23 and 24, 1896, 915 pounds all by Norfolk and Rutherfordton Railway Post-Office.

Should you desire a list of the points to which they were sent, can furnish. I have a week's holiday, beginning with Monday, April 20. I leave this with the special delivery messenger, to whom you may give anything you may have for me. His name is Wayland L. Ferrell. Should there be anything more that I can do, call on me. I don't believe in staying at the bottom of the ladder, and if attention to business and faithfulness will win me promotion they are mine. With best wishes for you, I beg to remain.

Yours, faithfully,

GUY L. BUNCH,
Assistant Mailing Clerk.

RALEIGH, N. C., May 4, 1896.

Mr. H. T. GREGORY,
Post-Office Inspector, Washington, D. C.

MY DEAR SIR: There was no extra North Carolinian for last week, so did not write you. Yours of the 2d instant to hand only a few minutes ago.

Yours, truly,

GUY L. BUNCH.

EXHIBIT E.

Information from Norfolk, Va., Portsmouth, Va., and Atlanta, Ga., to show amount of Portsmouth, Va., Stars; Atlanta, Ga., Constitutions and Journals, extra or unusual amounts, sent over Seaboard Air Line Railroad during April 1896:

	Pounds.
North Carolinian, total weight, April 12 to 24.....	2,451
Portsmouth, Va., Star, total weight, April 8 to 30.....	4,736
Atlanta, Ga., Constitution, total weight, April 8 to 30.....	10,066
Atlanta, Ga., Journal one week, total weight, April 24 to 30.....	949
Total.....	18,202
Estimate for Journal, April 9 to 23 (inclusive).....	1,898
	20,100

PORTSMOUTH, NORFOLK COUNTY, VA., April 28, 1896.

DEAR MR. GREGORY: Your letter to hand, and in reply send you, as per your request, the following weights and dates of the Portsmouth Star. These figures do not include the regular edition:

Date.	Hour.	Pounds.	Date.	Hour.	Pounds.	Date.	Hour.	Pounds.
Apr. 8.....	6 a. m.	180	Apr. 14.....	8 p. m.	125	Apr. 23.....	6 a. m.	120
8.....	8 p. m.	213	15.....	6 a. m.	187	24.....	6 a. m.	260
9.....	6 a. m.	97	15.....	8 p. m.	190	25.....	6 a. m.	135
9.....	8 p. m.	51	16.....	6 a. m.	212	26.....	6 a. m.	204
10.....	6 a. m.	285	16.....	6 a. m.	203	28.....	6 a. m.	203
10.....	8 p. m.	245	17.....	8 p. m.	180	29.....	6 a. m.	171
11.....	6 a. m.	170	18.....	6 a. m.	185	30.....	6 a. m.	^a 228
11.....	8 p. m.	143	19.....	6 a. m.	117	Total.....		4,736
12.....	6 a. m.	143	21.....	6 a. m.	182			
14.....	6 a. m.	177	22.....	6 a. m.	130			

^a Added from letter of Portsmouth postmaster May 2.

There is nothing new. The Atlanta papers still come. Write me as to what you desire in the future. Will try and render you any assistance I can.

Very respectfully,

R. L. HERBERT, *Postmaster.*

ATLANTA, FULTON COUNTY, GA., May 2, 1896.

Mr. H. T. GREGORY, Newbern, N. C.

DEAR SIR: In reply to yours of 25th April I submit the following report:

	Number of sacks.	Weight. <i>Pounds.</i>	Sent to—
Atlanta Constitution:			
Apr. 24, a. m.	4	260	Norfolk, Va.
24, p. m.	3	180	Do.
25, a. m.	3	210	Do.
25, p. m.	3	220	Do.
26, a. m.	3	212	Do.
26, p. m.	3	201	Do.
27, a. m.	3	250	Do.
27, p. m.	3	200	Do.
28, a. m.	2	120	Do.
28, p. m.	2	200	Do.
29, a. m.	2	100	Do.
29, p. m.	2	105	Do.
30, a. m.	2	125	Do.
30, p. m.	2	117	Do.
Total		2,500	
Atlanta Journal:			
Apr. 24, p. m.	2	125	Do.
25, p. m.	5	370	Do.
27, p. m.	2	100	Do.
28, p. m.	2	86	Do.
28, p. m.	1	33	Portsmouth, Va.
29, p. m.	1	30	Do.
29, p. m.	1	85	Norfolk, Va.
30, p. m.	2	120	Do.
Total		949	

The first lot of Journals shipped to these points was on April 9. There is no unusual amount of mail being sent or received via Seaboard Air Line Railroad.

Very respectfully,

AMOS FOX, *Postmaster.*

Weights of extra copies of Atlanta Constitution sent over Seaboard Air Line Railroad during April, 1896.

[Figures copied from record in Atlanta, Ga., post-office, by Inspector Gregory, in the presence of Superintendent of Mails Rhodes.]

Date.	Number of sacks.	Weight. <i>Pounds.</i>	Sent to—
Apr. 8, a. m.	4	400	Norfolk and Portsmouth.
8, p. m.	5	385	Do.
9, a. m.	5	350	Do.
9, p. m.	5	400	Do.
10, a. m.	5	400	Do.
10, p. m.	5	360	Do.
11, a. m.	4	340	Do.
11, p. m.	3	235	Do.
12, a. m.	3	240	Do.
13, a. m.	4	281	Do.
13, p. m.	3	175	Do.
14, a. m.	3	225	Do.
14, p. m.		230	Do.
15, a. m.	3	220	Do.
15, p. m.	3	125	Do.
16, a. m.	3	250	Do.
16, p. m.	3	200	Do.
17, a. m.	4	270	Do.
17, p. m.	3	215	Do.
18, a. m.	3	245	Do.
18, p. m.	4	260	Do.
19, a. m.	3	226	Do.
20, a. m.	3	250	Do.
21, a. m.	3	220	Do.
21, p. m.	3	200	Do.
22, a. m.	3	220	Do.
22, p. m.	3	214	Do.
23, a. m.	3	245	Do.
23, p. m.	3	185	Do.
		7,566	
Apr. 24 to 30 (inclusive)		2,500	
Total		10,066	

EXHIBIT F.

Memorandum showing public documents received at stations on Seaboard Air Line Railroad system during March, by whom franked, to whom addressed, and whether remailed; also note of a portion of stations receiving extra copies Portsmouth (Va.) Star and Raleigh (N. C.) Carolinian.

[Georgia, Carolina and Northern Railway, route No. 121071, Atlanta, Ga., to Monroe, N. C.]

Weight of mails conveyed northward between each post-office, Train No. —, on the — day of —, 1896.

Instructions.—Weigh all mail received into or put out of car, including registered cases, empty pouches, sacks, etc., and enter the weight in proper column. Make report in triplicate, two of which must be immediately mailed to superintendent Railway Mail Service, Atlanta, Ga. The third will be retained by postal clerk.

Post-office.	Public documents during March, 1896, put off.					Extra papers received in April.
	Number sacks.	Number books.	Frank.	Address.	Re-mailed	
North Decatur, Ga.....		18	Gordon	Individuals....	No.	Star and Carolinian.
Montreal, Ga	3	.....	do	Agent	Part.	
Tucker, Ga	4	.....	do	do	Part.	
Braden, Ga	None.		Not given ...	do	Not known	Star and Carolinian.
Lilburn, Ga.....	3 or 4	.....				
Luxomini, Ga.....	None.		Gordon, Latimer.	Individuals....	No.		Carolinian. Star and Carolinian.
Gloster, Ga	5 or 6	.....	Gordon	do	No.	
Lawrenceville, Ga	1	.....	Not given....	do	No.	
Dacula, Ga.....	2, 3, or 4		do			Star and Carolinian.
Auburn, Ga	6	.....	.....	.....	.....	
Carl, Ga	3	.....	do	Individuals....	No.	
Winder, Ga.....		500	do	Agent	Yes.	Do. Star.
Statham, Ga	1	.....	Gordon	Individuals....	No.	
Bogart, Ga.....	4 or 5	.....	do	do	No.	
Athens, Ga	12 or 15		do	do	No.	Star and Carolinian.
Dowdy, Ga	None.	.....	do	Agent	Part.	
Fiveforks, Ga.....	5	.....	do	do .....	.....	
Comer, Ga	5		do	do	No.	Star.
Carlton, Ga	8	.....	do	do	Yes.	
Oglesby, Ga.....	None.	.....	do	do .....	.....	
Elberton, Ga.....	None.		do	do	No.	Carolinian.
Middleton, Ga	4	.....	do	do	No.	
Headmont, Ga	Several.	.....	do	do	No.	
Calhoun Falls, S. C	5 or 6		do	Railroad agent.	Not known	Star and Carolinian.
Watts, S. C.....	4	.....	do	do	Part.	
Abbeville, S. C.....	10	.....	do	Individuals....	No.	
Greenwood, S. C.....	6		do	do	No.	Do. Do. Do.
Saluca, S. C.....	.....	Several.	Latimer	do	No.	
Crosshill, S. C.....	1	25 or 30	Gordon	Agent and individuals.	No.	
Mountville, S. C	4		do	Individuals....	No.	1 sack documents.
Clinton, S. C.....	2	.....	Gordon, Latimer.	do	No.	
Whitmire, S. C.....	3	.....	do	Railroad agent.	Yes.	
Carlisle, S. C	1		Gordon	Individuals....	No.	Do.
Leeds, S. C	None.	.....	do	do .....	.....	
Chester, S. C.....	.....	123	Gordon, Latimer.	do	No.	
Rodman, S. C.....	2		Gordon	do	No.	Do.
Hicklin, S. C.....	None.	.....	do	Railroad employees.	No.	
Edgmoor, S. C.....	1	.....	do	do .....	.....	
Harmony, S. C	None.		Not given....	Individuals....	No.	Do.
Catawba, S. C.....	3	.....	do	do	No.	
Vanwyck, S. C	2	.....	do	do	No.	
Osceola, S. C.....	Noreply.					Do.
Waxhaw, N. C.....	None.	.....	.....	.....	.....	
Potters, N. C.....	None.	.....	.....	.....	.....	
Total	110	* 666				

* Books besides sacks.

— — — — —, Weigher.

EXHIBIT G.

Memorandums received from Mail Weighers Glenn, Taylor, Kline, and Graybill, which were not begun until near middle of April.

WELDON, N. C., May 2, 1896.

H. T. GREGORY, Esq.:

I send you the following weights, as requested:

Train No. 403, on April 9, 260 pounds of Portsmouth papers.
 Train No. 38, on the 10th, 535 pounds of Atlanta Constitutions.
 Train No. 403, on the 11th, 298 pounds of Portsmouth papers.
 Train No. 38, on the 12th, 367 pounds of Atlanta Constitutions.
 Train No. 38, on the 14th, 312 pounds of Atlanta Constitutions.
 Train No. 403, on the 15th, 147 pounds of Portsmouth papers.
 Train No. 38, on the 16th, 195 pounds of Atlanta papers.
 Train No. 403, on the 17th, about 300 pounds of "adv." matter from Richmond, Va., to Southern Pines, N. C., and about 250 pounds of "S. A. L." matter.
 Train No. 38, on the 18th, 219 pounds of Atlanta papers.
 Train No. 403, on the 19th, 66 pounds of Portsmouth papers and 250 pounds of "S. A. L." matter.
 Train No. 38, on the 20th, 210 pounds of Atlanta papers and 90 pounds of Littleton, N. C., papers.
 Train No. 403, on the 21st, 36 pounds of Washington, D. C., papers mailed at Portsmouth, Va., and 221 pounds of "S. A. L." matter.
 Train No. 38, on the 22d, 211 pounds of Atlanta papers.
 Train No. 403, on the 23d, 66 pounds of Washington, D. C., papers, mailed at Portsmouth, Va., and 251 pounds of "S. A. L." matter.
 Train No. 38, on the 24th, 444 pounds of Atlanta papers.
 Train No. 403, on the 25th, 277 pounds of Portsmouth papers.
 Train No. 38, on the 26th, 610 pounds of Atlanta papers.
 Train No. 38, on the 28th, 302 pounds of Atlanta papers.
 Train No. 38, on the 30th, 109 pounds of Atlanta Constitutions.

I have given just the weight of this mail. Can give you for most dates the name of papers and their destination.

Very much S. A. L. matter was hauled during the first of April, but I made no report of it.

Respectfully,

FRANK B. GLENN, *Weigher*.

MONROE, N. C., May 4, 1896.

MR. GREGORY, *Post-Office Inspector*.

DEAR SIR: I inclose herewith report of extra matter handled, as you requested.

I hope it is about what you wanted. If you want date of paper, how addressed, or any information concerning same not included in inclosed report, let me know. I will retain my original reports in case you should want anything further.

Very respectfully,

A. J. KLINE.

If you should want anything further, address "A. J. Kline, Calverton, Va."

April 19, Train 402, 232 pounds Atlanta Constitutions, Portsmouth.
 April 21, Train 402, 225 pounds Atlanta Constitutions, Norfolk.
 April 23, Train 402, 110 pounds S. A. L. matter for Corine.
 April 23, Train 402, 251 pounds Atlanta Constitutions, Portsmouth.
 April 24, Train 41, 608 pounds North Carolinians on at Raleigh for Monroe and Atlanta, Railway Post-Office.
 April 25, Train 402, 217 pounds Atlanta Constitutions, Norfolk.
 April 26, Train 41, 209 pounds Portsmouth Stars, Georgia.
 April 30, Train 41, 254 pounds Portsmouth Stars, Georgia.
 April 29, Train 402, 115 pounds Atlanta Constitutions, Norfolk.
 April 27, Train 402, 230 pounds Atlanta Constitutions, Norfolk.
 May 1, Train 402, 114 pounds Atlanta Constitutions.
 May 2, Train 41, 170 pounds Portsmouth Stars, for Monroe.
 May 3, Train 402, 114 pounds Atlanta Constitutions for Portsmouth.

A. J. KLINE, *Weigher*.

April 13, about 250 pounds Atlanta Constitutions for Norfolk or Portsmouth not reported.

KLINE.

WELDON, N. C., *May 3, 1896.*• H. T. GREGORY, Esq., *Post-Office Inspector.*

DEAR SIR: Hand you herewith special report of weights of mail.

April 17, Train 38, 330 pounds Atlanta Constitution for Portsmouth, Va.

April 18, Train 403, 545 pounds, consisting of Portsmouth Stars in bundles of 25, each bundle to one individual, Washington, D. C., Times, and S. A. L. matter.

April 22, Train 403, 290 pounds the Progressive South, from Richmond, Va., to O. S. Hayes, Statham, Ga., 145 pounds Washington, D. C., Times, and S. A. L. matter for Georgia.

April 24, Train 403, 165 pounds the Carolinian from Raleigh, N. C., to Monroe and Atlanta, and 110 pounds same for Norfolk and Rutherfordton, west of Charlotte.

April 25, Train 38, 441 pounds Journals and Constitutions, 295 pounds for Norfolk, and balance Portsmouth, Va. .

April 26, Train 403, 107 pounds S. A. L. matter and 27 pounds Washington Times for Georgia.

April 27, Train 38, 198 pounds Constitutions for Norfolk, Va.

April 29, Train 38, 227 pounds Constitutions and Journals for Portsmouth and Norfolk, Va., 107 pounds of which were Journals.

May 1, Train 38, 90 pounds Journals for Norfolk, Va.

May 1, Train 38, 36 pounds Journals for Portsmouth, Va.

May 1, Train 38, 120 pounds Constitutions for Norfolk, Va.

May 1, Train 38, 103 pounds public documents at Franklinton, N. C., for J. B. Gordon, Washington, D. C.

None of the above had any indication of having passed through a post-office.

May 2, Train 403, 196 pounds S. A. L. matter for Georgia; 52 pounds Washington, D. C., Times for Atlanta.

May 3, Train 38, 155 pounds Journals for Norfolk, Va.; 59 pounds Journals for Portsmouth, Va.; 122 pounds Constitutions for Norfolk, Va.

Would have sent this the 1st, but thought you said when the weighing closed.

Very respectfully,

G. F. TAYLOR, *Weigher.*MONROE, N. C., *May 3, 1896.*Mr. H. T. GREGORY,
Post-Office Inspector, Washington, D. C.

SIR: I send you a little memorandum of the mails I weighed, which I thought extra mails. You will notice that the Portsmouth Stars were always sent out the next day after issue, and in bundles of 25 each, with the address only on the outside paper, which was sometimes to an individual and sometimes to a firm.

The Atlanta Journals were always sent out the next day after being published, and each paper had the name of an individual on it.

The Atlanta Constitutions were published on Sunday and sent out during the following week, and each paper was addressed to an individual.

I can't say whether or not the S. A. L. advertisements were extra mail, but I simply send you the weights.

Hoping this will give you the desired information, I am,

Very respectfully,

A. K. GRAYBILL, *Weigher.*

APRIL 18, 1896.

245 pounds, Norfolk. 253 pounds of Portsmouth Journals for Norfolk of the 17th issue, and Constitutions for Portsmouth of the 12th.

A. K. GRAYBILL.

(On back:) Charlotte and Augusta Railway Post-Office, north, from Monroe and Atlanta Railway Post-Office. April 18. Train 402. 1896. W. A. Sharp.

APRIL 19, 1896.

125 pounds of Portsmouth Stars for Georgia and South Carolina in bundles of about 2 dozen each with address on outside papers only.

A. K. GRAYBILL.

(On back:) Womble. October 15. Train 38. Norfolk and Rutherfordton.

APRIL 20, 1896.

250 Atlanta Constitutions for Norfolk, Va., April 19 date, addressed to individuals; 100 pounds of S. A. L. advertisement from points in Georgia and South Carolina to New Hampshire, Connecticut, New Jersey, and Massachusetts.

A. K. GRAYBILL.

(On back:) From Monroe and Atlanta Railway Post-Office. H. H. Mobley. Train 402. April 20, 1896.

APRIL 21, 1896.

200 pounds of Portsmouth Stars for Bogart, Ga., in bundles of 25 each, with the address only on the outside one.

A. K. GRAYBILL.

(On back:) West of Hamlet. Washington and Charleston Railway Post-Office. April 21. Train 23. T. F. Herbert.

APRIL 25, 1896.

150 pounds of Portsmouth Stars for Columbus, Ga.; 200 pounds of public documents from Washington and Charleston (23 to local stations between Hamlet and Monroe).

A. K. GRAYBILL.

(On back:) J. F. Allred, Aberdeen, N. C. April 25. Train 11. Aberdeen and Cand. Railway Post-Office.

APRIL 24, 1896.

Train 402, 250 pounds of Atlanta Constitutions for Portsmouth, Va., of Sunday, 19th, issue; 98 pounds of S. A. L. advertisements from South Carolina and Georgia to Massachusetts.

A. K. GRAYBILL.

(On back:) Amos W. Calvin. Train 402. April 24, 1896. Norfolk and Rutherfordton Railway Post-Office.

230 pounds of Atlanta Constitutions of Sunday, April 19, issue, for Norfolk, Va.; 55 pounds of Southern News, with S. A. L. advertisement, from Statesboro, Ga., to New Jersey and Connecticut, April 22, 1896.

A. K. GRAYBILL.

(On back:) Amos W. Calvin. Train 402. April 22, 1896. Norfolk and Rutherfordton Railway Post-Office.

125 pounds of Atlanta Constitutions and 85 pounds of Journals for Norfolk, Va. The Journals were of 29th date and the Constitutions were of 26th. April 30, 1896. 402.

A. K. GRAYBILL.

(On back:) Macon, N. C., east. Mary Green, postmaster. May 1, 1896. Warrenton, N. C.

115 pounds of Portsmouth Stars for Georgia. April 23, 1896.

A. K. GRAYBILL.

(On back:) Massachusetts. O. G. Womble. April 23. Train 41. Norfolk and Rutherfordton.

APRIL 26, 1896.

225 pounds of Atlanta Constitutions for Norfolk, Va., of to-day's issue.

A. K. GRAYBILL.

(On back:) Amos W. Calvin. Train 402. April 26, 1896. Norfolk and Rutherfordton Railway Post-Office.

APRIL 28, 1896.

128 pounds of Atlanta Constitutions for Norfolk, Va., of Sunday (26th) issue.

A. K. GRAYBILL.

(On back:) Dis. Cheraw, S. C., April 28.

175 pounds of Portsmouth Stars for Columbus, Ga., on April 28, date.

A. K. GRAYBILL.

(On back:) South, No. 1. J. F. Allred, Aberdeen, N. C. April 29. Train 11. Aberdeen and Cand. Railway Post-Office.

MAY 2, 1896.

125 pounds of Atlanta Constitutions for Norfolk, Va. They were of Sunday 26th issue.

A. K. GRAYBILL.

MAY 1, 1896.

222 pounds of Portsmouth Stars for points in Georgia.

A. K. GRAYBILL.

(On back:) N. C. J. F. Allred, Aberdeen, N. C. May 1. Train 11. Aberdeen and Cand. Railway Post-Office.

225 pounds of Portsmouth Stars for Columbus, Ga., Train 41.

A. K. GRAYBILL.

MAY 3, 1896.

(On back:) R. & H. north from Jonesboro, N. C. Redin Bryan, P. M.

EXHIBIT H.

ATLANTA, GA., April 16, 1896.

Mr. HERBERT,
Postmaster, Portsmouth, Va.

DEAR SIR: We sent you by to-day's mail a lot of sample Journals, and ask you please to distribute them as well as you can.

Thanking you in advance for your kindness,

We remain, yours, truly,

ATLANTA JOURNAL,
H. G. McCORD.

The above is inclosed in envelope addressed to Postmaster, Portsmouth, Va., and marked "Exhibit H. Letter to P. M. at Portsmouth, Va., to distribute sample copies."

EXHIBIT I.

Description.—This exhibit consists of part of a franking slip of J. B. Gordon, United States Senate, attached to part of Portsmouth Star of April 13, 1896, and part of the North Carolinian of April 16, 1896.

(Copy impracticable.)

EXHIBIT J.

Specimen copies of Portsmouth, Va., Star, one unclaimed address at Atlanta, Ga. (Copy impracticable.)

EXHIBIT K.

Specimen Sunday edition of Atlanta, Ga., Constitution remaining unclaimed in post-office at Norfolk, Va., and Portsmouth, Va.

(Copy impracticable.)

EXHIBIT L.

Specimen unclaimed Atlanta Journals and Constitutions (first sheets) taken from post-office at Portsmouth, Va.; also labels of bulk packages.

Description.—Comprising a number of sheets from said newspapers, with addresses. (Copy impracticable.)

EXHIBIT M.

Specimen Atlanta, Ga., Constitution and Journals, remaining unclaimed at Norfolk, Va., with labels taken from bulk packages.

Description.—Comprising a number of sheets from said newspapers, with addresses. (Copy impracticable.)

EXHIBIT N.

Specimen copies of Atlanta Journals sent to individual addresses at Portsmouth Va., mailed in Atlanta, Ga., evening of April 24, 1896.

(Copy impracticable.)

EXHIBIT Q.

RICHMOND, VA., April 16, 1896.

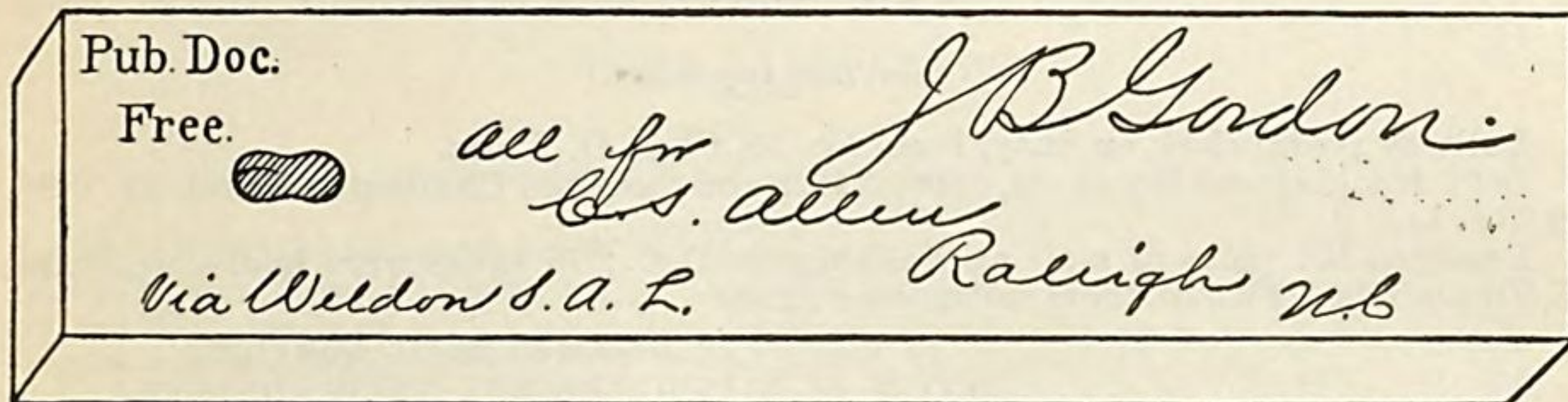
T. M. ARRINGTON, Esq.,

Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: I forward herewith three tags just received, which are a part of Exhibit Q, case No. 210382-3C, which I have reported; the tags are addressed to C. S. Allen, freight agent Seaboard Air Line Railroad at Raleigh, N. C., and were taken from 3 sacks of public documents sent to him franked by J. B. Gordon, United States Senate.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*



Showing written and printed matter on tape referred to.

POST-OFFICE DEPARTMENT,
OFFICE GENERAL SUPERINTENDENT OF RAILWAY MAIL SERVICE,
Washington, D. C., November 12, 1896.

Respectfully forwarded to Hon. Charles Neilson, Second Assistant Postmaster-General.

As this is a case of padding the mails, and is now in the hands of the Department of Justice, it does not seem to me that it should be filed in this office, and I therefore refer it to you.

JAS. E. WHITE,
General Superintendent.

File 3249.

Case No. 210382-3.

POST-OFFICE DEPARTMENT,
OFFICE OF FOURTH ASSISTANT POSTMASTER-GENERAL,
DIVISION OF POST-OFFICE INSPECTORS AND MAIL DEPREDACTIONS,
Washington, D. C., November 11, 1896.

Respectfully referred to the Second Assistant Postmaster-General. Railway Mail Service. (Special report.)

R. A. MAXWELL,
Fourth Assistant Postmaster-General.

File 3249.

WILMINGTON, N. C., November 4, 1896.

T. M. ARRINGTON, Esq.,

Post-Office Inspector in Charge, Washington, D. C.

DEAR SIR: November 3, 1896, at Norfolk, Va., I called upon United States Attorney White to confer upon the mail-padding case against Seaboard Air Line Railroad Company, in accordance with special instructions from you.

Mr. White had gone over the case very thoroughly, and had written the Attorney-General quite fully as to his views of the case. He handed me a copy of the letter to the Attorney-General for my perusal, after which he questioned me upon various points of the case.

He expressed himself quite fully as to the numerous difficulties which would make almost impossible a successful prosecution of the case.

The prosecution of the case would be an enormous expense, and its failure (which would be almost certain) would result in greater harm than good. However, he would consult the Attorney-General before reaching final decision.

It was his opinion that if a prosecution was inaugurated that Washington, D. C., would be the proper point at which to begin prosecution.

He was also of the opinion that an investigation should be made at Washington, D. C., as to the handling and dispatch of the documents from the Capitol, upon which subject he will touch, upon his proposed interview with the Attorney-General.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

Report examined, approved, and forwarded to chief inspector, November 7, 1896.

T. M. ARRINGTON,
Post-Office Inspector in Charge Division.

REPORTS FROM OFFICERS AND EMPLOYEES OF THE RAILWAY MAIL SERVICE.

[Copied from trip report.]

Railway postal clerk on duty, train No. 35, Chas. H. Woltz.

Left Washington March 21, 1896, 3.46 p. m.; arrived Charleston March 22, 1896, 6.25 a. m.

Received 106 sacks of mail at Washington, D. C.; 75 sacks were books, weighing 5,600 pounds. Two of these sacks were nixes.

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT THIRD DIVISION,
Washington, D. C., March 22, 1896.

Respectfully referred to Hon. James E. White, General Superintendent, for his information.

CHAS. W. VICKERY, *Superintendent.*

EN ROUTE NORFOLK AND RUTHERFORDTON R. P. O.,
March 24, 1896.

Mr. C. W. VICKERY,

Superintendent Third Division Railway Mail Service, Washington, D. C.

DEAR SIR: Since I left Rutherfordton I have picked up wooden tags which I inclose to you, and having too many for the envelope, will hold balance till I hear from you. It is clear to my mind that there is something wrong about this, and hope you will have it investigated at once. I am keeping the weights of this matter and will hold subject to your instructions. Will turn it all into post-office at Charlotte.

Very respectfully,

J. N. WEDDINGTON,
Railway Postal Clerk, Norfolk and Rutherfordton Railway Post-Office.

(NOTE BY COPYIST.—With this letter are three wooden tags bearing the frank of J. B. Gordon, U. S. S.)

RAILWAY MAIL SERVICE, THIRD DIVISION,
March 24, 1896.

Mr. C. W. VICKERY,

Superintendent Third Division Railway Mail Service.

SIR: You will see by the reports of the amount of mail on this line in the last few days and Monroe and Charlotte that there has been an increase in weights. The extra weight was Congressional Records for all stations west of Monroe, N. C., to Rutherfordton, N. C.

Respectfully, etc.,

H. T. ROLLINS,
Norfolk and Rutherfordton Railway Post-Office.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent, for the information of the Department in connection with the weighing of mails on the line of the Washington and Charleston Railway Post-Office.

CHAS. W. VICKERY, *Superintendent.*

CHARLOTTE, N. C., *March 24, 1896.*

Mr. C. W. VICKERY,
Superintendent Third Division Railway Mail Service, Washington, D. C.

DEAR SIR: Inclosed I hand you a lot of franks for books (and tags) distributed to agents along our line, and by them being redirected to points in Georgia. All were for the State of Georgia. Will you please have this matter investigated? These blank franks came to the different agents in their railroad mail of the books. There were several thousand pounds. They were distributed along the line March 20, 21, and 22 by Clerk H. T. Rawlins.

Very respectfully,

J. Y. WEDDINGTON,
Railway Postal Clerk Norfolk and Rutherfordton Railway Post-Office.

(NOTE BY COPYIST.—This letter incloses 33 franking slips bearing name of J. B. Gordon, U. S. S., addressed to postmasters in Georgia.)

[Copied from trip report.]

Railway postal clerk on duty, W. G. Hare, train 15.

Left Boykins March 23, 1896, 11 a. m.; arrived Lewiston March 23, 1896, 1.15 p. m.

Of the 700 pounds of mail received at Boykins, Va., to-day by train 15, 294 pounds was public documents, franked by J. B. Gordon, to the railroad agents along the line of this road. These sacks were opened by them and addressed to parties in Georgia, South Carolina, and the western part of North Carolina, then remailed.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent, for his information.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 26, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of the mails on the Seaboard Air Line.

A majority of the weight reports received since the 19th instant show a largely increased weight of mails handled at nearly all offices between Weldon and Rutherfordton. The next attached statement of Weigher Graybill refers to train 41 of the 24th instant. The weight report for which train shows that there was an average of 124 pounds of mail taken on at each office between Weldon and Raleigh, whereas the average weight of mail taken on at each office is but about 22 pounds.

Train 402, leaving Rutherfordton same date, took on at Forest City, Bostic, and Ellenboro 700 pounds of mail, or an average for each office of 233 pounds. The normal weight of mail taken on at these offices appears to be about 20 pounds, or an average of 7 pounds at each.

The weight report for train 403, March 23, shows that an unusually heavy mail was put off at offices between Monroe and Rutherfordton, especially at the offices above referred to, which would seem to bear out the statement of Weigher Graybill that this mail (public documents) was properly delivered to the offices to which it was originally addressed, then relabeled and shipped to other points on the line.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 27, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with similar papers previously forwarded relative to the handling of document mail on the Seaboard Air Line during the weighing of mails.

CHAS. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
Norfolk and Rutherfordton Railway Post-Office, March 26, 1896.

Respectfully referred to Chas. W. Vickery, esq., superintendent, Railway Mail Service, third division. The increase in the weight of mails along the line is due to public documents being sent to stations, there addressed and forwarded to other places south on the Monroe and Atlanta Railway Post-Office.

JOHN GIBSON, *Railway Postal Clerk.*

RAILWAY MAIL SERVICE,
Monroe, N. C., March 24, 1896.

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C., with the information that we brought 3,100 pounds of public documents into Monroe to-night for the Monroe and Atlanta Railway Post-Office, which we received at the different local stations to-day. Most of these books were put off at these stations on the 22d, and the sacks were plainly labeled to these stations, and to-day we received the same amount at several of these stations and the books were addressed to points in South Carolina and Georgia.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

TRAIN 41, *March 24, 1896.*

WELDON, N. C., *March 24, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Three hundred pounds mail (public documents) received to-day on train 38 from Apex, N. C., for offices between Weldon, N. C., and Portsmouth, Va.

Very respectfully,

G. F. TAYLOR, *Weigher.*

TRAIN 38, *March 24, 1896.*

RAILWAY MAIL SERVICE,
Norfolk and Rutherfordton Railway Post-Office, March 23, 1896.

MR. CHAS. W. VICKERY,
Superintendent, Washington, D. C.

DEAR SIR: I received 5,245 pounds of extra mail (public documents) at Richmond, Va., the morning of the 22d on train 403. This was nearly all local mail with a few pieces of Georgia in it.

Yours,

F. P. PENN.

TRAIN 403, *March 22, 1896.*

WELDON, N. C., *March 22, 1896.*

MR. CHAS. W. VICKERY,
Superintendent, Washington, D. C.

SIR: The unusual increase in weight of mail to-day is caused by distribution of public documents.

Very respectfully,

G. F. TAYLOR,
Weigher.

TRAIN 38, *March 22, 1896.*

MONROE, N. C., *March 22, 1896.*

Respectfully referred to Chas. W. Vickery, superintendent.
On No. 403, this date, I weighed about 6,000 pounds of public documents. Should a special report be made when we have such a large mail of this kind?

Respectfully,

FRANK B. GLENN.

TRAIN 403, *March 22, 1896.*

RAILWAY MAIL SERVICE,
Monroe, N. C., March 22, 1896.

Respectfully referred to Mr. C. W. Vickery, superintendent Railway Mail Service, Washington, D. C.

We received about 2,000 pounds of public documents at Weldon to-day that was local to Norfolk and Rutherfordton.

Very respectfully,

A. R. GRAYBILL,
Weigher.

TRAIN 41, March 22, 1896.

[Copied from trip report.]

Railway postal clerks on duty, T. E. Battle and crew.

Left Norfolk, Va., March 25, 1896; arrived Monroe, N. C., March 25, 1896.

In addition to regular mail, I received to-day public documents for offices in South Carolina and Georgia, nearly all of which was local to Monroe and Atlanta Railway Post-Office.

The following were received:

1 bag from Bowershill, Va.	60
1 bag from Magnolia, Va.	60
2 bags from Franklin, Va.	120
1 bag from Branchville, Va.	60
1 bag from Seaboard, N. C.	60
Total	360

[Copied from trip report.]

Railway postal clerk on duty, J. Y. Weddington.

Left Rutherfordton, N. C., March 25, 1896; arrived Monroe, N. C., March 25, 1896.

Received at Stanley, N. C., 182 pounds of Georgia books, same as previously reported by me.

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 26, 1896.

Respectfully referred to Hon. James E. White, General Superintendent, for the information of the Department, in connection with other papers relative to this matter previously referred.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE, THIRD DIVISION,
Boykins, Va., March 21, 1896.

Hon. C. W. VICKERY.

DEAR SIR: Parties along this line are daily receiving sacks of public documents franked by Congressmen. Have the parties to whom the documents are sent the right to address them and send them through the mails free to other and different individuals in North Carolina and Georgia?

An example: The sack is sent to B., at Rich Square, N. C., and he opens said sack and addresses each document to a different party at another office and mails free.

It seems to me that I have seen a ruling from the Department against this practice.

Very truly, yours,

WILLIS G. HARE,
Railway Postal Clerk, Boykins and Lewiston Railway Post-Office.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 23, 1896.

Respectfully referred to postmaster, Rich Square, N. C.

Please advise me if the books received in the sack in question were addressed to parties residing within the delivery of your office; or were these books received in blank, to be addressed and forwarded by the party receiving the same?

CHAS. W. VICKERY, *Superintendent.*

March 24, 1896.

The above-mentioned books were received in pouch by party residing within the delivery of my office for remailing.

Yours, truly,

R. T. WEAVER, *Postmaster.*

RAILWAY MAIL SERVICE,
Monroe, N. C., March 26, 1896.

Respectfully referred to Mr. C. W. Vickery, superintendent, Railway Mail Service, Washington, D. C.

We brought 1,300 pounds of public documents into Monroe for Monroe and Atlanta Railway Post-Office, which we received at local stations along the road to-day.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 28, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with similar reports previously forwarded concerning the handling of document mail on the Seaboard Air Line during the weighing of mails.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
Monroe, N. C., March 28, 1896.

Respectfully referred to Mr. C. W. Vickery, superintendent, Railway Mail Service, Washington, D. C.

We brought 600 pounds of public documents to Monroe this evening for Monroe and Atlanta Railway Post-Office.

Very respectfully,

A. R. GRAYBILL, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 30, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with similar reports previously forwarded concerning the handling of document mail on the Seaboard Air Line during the weighing of the mails.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
Third Division, April 7, 1896.

H. T. GREGORY, Esq., *Post-Office Inspector.*

DEAR SIR: Put off 3 sacks of public documents at each of the below-named stations: Rich Square, Roxobel, and Lewiston, N. C. Sacks tagged to railroad agents at each place. When books were returned each one was labeled to parties in Georgia and points along the Seaboard Air Line between Wilmington, N. C., and Rutherfordton, N. C.

Labels were pasted on books.

W. G. HALE,
Railway Postal Clerk, Boykins and Lewiston Railway Post-Office.

P. S.—Three sacks were also sent to railroad agent at Murfreesboro, N. C.

W. G. H.

MURFREESBORO, N. C., April 8, 1896.

H. T. GREGORY, Esq.,
Post-Office Inspector, Greensboro, N. C.

SIR: Replying to your inquiry, I beg to say that 3 sacks of public documents were received at this office for the railroad agent, under frank of J. B. Gordon, United States Senate, and labels ready addressed were inclosed in the sacks for him to paste on them.

One sack was received March 21, and 2 sacks on March 24. All were addressed to offices in Georgia.

The agents refuse to say from whom he received instructions, if he had any (and I learn that he did not), claiming that he has no authority to say from whom his orders are received.

The sack and book labels, I am sorry to say, can not be obtained. The address on

sack labels was "G. K. Freeman, Murfreesboro, N. C." They were not addressed to him officially.

Yours, etc.,

WM. B. SPENCER, *Postmaster*.

RICH SQUARE, N. C.

H. T. GREGORY, *Post-Office Inspector*.

DEAR SIR: Below find statement, according to request:

Public documents, 3 sacks, received about March 25, 1896, franked by W. E. Clifton, R. and T. Railroad agent. The slips were pasted on for direction. They were mainly directed to parties of other States. Don't remember States. The documents were sent direct to agent, so can get no tags. Do not know who books or labels were sent by.

Very respectfully,

R. T. WEAVER, *Postmaster*,
By J. M. W., *Assistant*.

ROXBEL, N. C., April 7, 1896.

H. T. GREGORY, *Post-Office Inspector*:

Three sacks of public documents were received during the month of March, franked by J. B. Gordon, United States Senate, and addressed to H. A. Cox, who is railroad agent at this place; as he has never offered one for remailing, I am unable to say by whom franked or to what point he mailed them. The agent reports using all of the labels that were sent him, and is unable to say from what railroad official they were sent from. They were tagged from Washington, D. C.

Hoping you understand, I am, very respectfully,

M. C. COX, *Postmaster*.

DEAR SIR: In reply to your request, I have received no sack of public documents for this office, but think some went through this office to Windsor, N. C., and they were sent to the agent at this depot, 3 sacks about three weeks ago, from J. B. Gordon. They are still at the depot to be remailed. I have 3 books directed to this office from J. B. Gordon; have not been carried. The documents at the depot were sent to the agent to be directed to parties at some post-office. I have had no instructions to carry them as yet.

Yours,

A. F. HANCOCK,
Postmaster, Lewiston.

APRIL 8, 1896.

[Copied from trip report.]

Railway postal clerk on duty, W. G. Hare.

Left Boykins March 28, 1896; arrived Lewiston March 28, 1896.

One hundred and ten pounds of mail matter from Rich Square and 50 pounds received from Roxobel to-day. Was public documents mailed by the railroad agents to parties in Georgia, and along the line of Seaboard Air Line between Wilmington and Charlotte.

POST-OFFICE DEPARTMENT,
Washington, D. C., April 9, 1896.

Respectfully referred to post-office inspector in charge, Washington, D. C.
Case referred March 27, 1896.

M. D. WHEELER, *Chief Inspector*.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 31, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with similar reports previously forwarded concerning the handling of document mail on the Seaboard Air Line during the weighing of mails.

CHAS. W. VICKERY, *Superintendent*.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 9, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with similar reports previously forwarded relative to the handling of document mail on the Seaboard Air Line during the weighing of mails.

CHAS. W. VICKERY, *Superintendent*.

APRIL 4, 1896.

Respectfully referred to Charles W. Vickery, superintendent, that I had this date on train No. 38, 143 pounds of public documents received at Monroe from Monroe and Atlanta Railway Post-Office, and addressed to points east of Weldon, N. C.

FRANK B. GLENN, *Weigher*.

MONROE, N. C., April 10, 1896.

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received 300 pounds mail (Atlanta Constitution) yesterday on train 38, Norfolk and Rutherfordton Railway Post-Office, from Atlanta, Ga., to Norfolk, Va., which seems to be unusual.

Very respectfully,

G. F. TAYLOR,
Mail Weigher.

N. B.—The above mail was weighed on at Monroe, N. C.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 11, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher G. F. Taylor reports receiving at Monroe, N. C., 300 pounds of papers (Atlanta Constitution) for Norfolk, Va., on train No. 38, April 9, 1896.

CHAS. W. VICKERY, *Superintendent*.

WELDON, N. C., April 10, 1896.

Respectfully reported to Chas. W. Vickery, superintendent, that I had on No. 403, on the 9th, 206 pounds of Portsmouth, Va., evening papers of the 7th going to points in Georgia and South Carolina.

On No. 38, to-day, I had 535 pounds of Atlanta, Ga., Constitutions, all for Norfolk, Va.

FRANK B. GLENN, *Weigher*.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 11, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher F. B. Glenn reports receiving on Train 403, 9th instant, 206 pounds of Portsmouth, Va., papers for points in Georgia and South Carolina, and on Train No. 38, 10th instant, 535 pounds of papers (Atlanta Constitution), all for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent*.

WELDON, N. C., April 12, 1896.

Respectfully reported to Charles W. Vickery, superintendent, that I weighed on No. 38, this date, 367 pounds of Atlanta Constitutions, all for Portsmouth, Va. I inclose slips taken from sacks of the same kind of mail which I reported on the 10th. The slips on the sacks to-day were like these, none being postmarked.

Respectfully,

FRANK B. GLENN, *Weigher*.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 13, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports that on Train No. 38, April 12, he received 367 pounds of papers (Atlanta Constitution), all for Portsmouth, Va. Samples of slips attached.

CHAS. W. VICKERY, *Superintendent*.

Norfolk, Va., Atlanta Constitution.
 Norfolk, Va., Atlanta Constitution.
 Norfolk, Va., Atlanta Constitution.

MONROE, N. C., *April 12, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received to-day at Weldon, N. C., on Train 403, 455 pounds paper mail from Portsmouth, Va., to offices in Georgia. This seems unusual, hence the report.

Very respectfully,

G. F. TAYLOR,
Mail Weigher Norfolk and Rutherfordton.

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 13, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receiving on Train 403, April 12, 455 pounds of paper mail from Portsmouth, Va., to offices in Georgia.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 11, 1896.*

Respectfully reported to Charles W. Vickery, superintendent, that I had on No. 403, this date, 298 pounds of Portsmouth, Va., papers; all for Georgia.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 16, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receiving 298 pounds of Portsmouth, Va., papers, all for the State of Georgia.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 11, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received 464 pounds paper mail (Atlanta Constitutions) to-day, on Train 38, from Monroe and Atlanta Railway Post-Office, at Monroe, N. C., for Norfolk and Portsmouth, Va.

Very respectfully,

G. F. TAYLOR,
Mail Weigher, Norfolk and Rutherfordton.

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 13, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receiving on Train 38, April 11th, at Monroe, N. C., 464 pounds of paper mail (Atlanta Constitutions) for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 13, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Railway Mail Service, Washington, D. C.

Received from Norfolk and Rutherfordton Train 402 last night at Monroe, 310 pounds of public documents, which were labeled to Cheraw, S. C., and Dis.

On the night of the 10th instant we brought 550 pounds of Atlanta Constitutions to Weldon for Portsmouth, Va., which seemed to be unusual.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 14, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receiving, on Train 402, 310 pounds of public documents labeled to Cheraw, S. C., and Dis., and 550 pounds of Atlanta Constitutions for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 13, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Two hundred and nineteen pounds paper mail (Atlanta Constitutions) from Monroe and Atlanta Railway Post-Office at Monroe, N. C., for Portsmouth, Va., received to-day on Train 38.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 14, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher G. F. Taylor reports 219 pounds of Atlanta Constitutions received from Monroe and Atlanta Railway Post-Office at Monroe, N. C., for Portsmouth, Va., received on Train 38 April 13.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to C. W. Vickery, superintendent, 474 pounds of Atlanta papers for Portsmouth, Va.

A. J. KLINE.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 14, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher A. J. Kline reports receiving 474 pounds of Atlanta Constitutions for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 14, 1896.*

Respectfully reported to Charles W. Vickery, superintendent, that I had on No. 38, this date, 312 pounds of Atlanta Constitutions, all for Norfolk and Portsmouth, Va.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 16, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail weigher Glenn reports receiving 312 pounds of Atlanta Constitutions, all for Portsmouth and Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to Charles W. Vickery, superintendent, 246 pounds Raleigh papers for points in South Carolina. These papers are back numbers, from 25 to 50 in a bundle, sample copies, to one address.

Respectfully,

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 15, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher A. J. Kline reports receiving 246 pounds of Raleigh, N. C., papers (back numbers) for points in South Carolina, 25 to 50 in a bundle, sample copies, to one address.

CHAS. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
April 14, 1896.

Respectfully referred to Charles W. Vickery, esq.

I examined the Atlanta Constitutions that came to Norfolk to-day, in accordance with instructions, and found them addressed to individuals, i. e., each paper is addressed to someone in the city.

JOHN GIBSON, *Railway Postal Clerk.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 15, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line and in connection with certain mail weigher's reports previously forwarded regarding Atlanta Constitutions now being carried over the line.

Railway Postal Clerk John Gibson states that he examined the Constitutions which were brought to Norfolk, Va., on the 14th instant, and found that they were addressed to individuals in that city.

CHAS. W. VICKERY, *Superintendent.*

APRIL 14, 1896.

Respectfully reported to Charles W. Vickery, superintendent: 335 pounds Raleigh papers for points in South Carolina and Georgia. Old dates; about 25 copies in each address.

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 16, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receiving 335 pounds of Raleigh, N. C., papers for points in South Carolina and Georgia; of old dates, and about 25 copies to each address.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 15, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Railway Mail Service, Washington, D. C.

We received from Monroe and Atlanta Railway Post-Office last night 360 pounds of Atlanta Constitutions and Journals going to Norfolk, Va.

Very respectfully,

S. K. GRAYBILL.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 16, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receiving 360 pounds of Atlanta Constitutions and Journals for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 15, 1896.*

Respectfully reported to Charles W. Vickery, superintendent, that I had on No. 403, this date, 147 pounds of Portsmouth, Va., papers, all for Georgia.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 16, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receiving 147 pounds of Portsmouth, Va., papers, all for the State of Georgia.

CHAS. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
April 16, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I handled 346 pounds of Atlanta Journals of the date of the 14th instant.

They were separately addressed to individuals.

Yours,

F. P. POWERS.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 17, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of the mails on the Seaboard Air Line.

Railway Postal Clerk Powers reports handling 346 pounds of Atlanta Journals on the 16th instant.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 15, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Three hundred and sixty-eight pounds paper mail (Atlanta Constitutions and Journals) on Train 38 to-day received at Monroe, N. C., from Monroe and Atlanta Railway Post-Office for Norfolk and Portsmouth, Va.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 16, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receiving 368 pounds of paper mail (Atlanta Constitutions and Journals) for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
April 15, 1896.

Hon. CHAS. W. VICKERY, *Superintendent.*

I received from train 38, Monroe and Atlanta, 4 sacks of Atlanta Constitutions for Norfolk, Va., and 1 for Portsmouth, Va. Examined them. They were all addressed to individuals and were each marked "Sample copy."

Yours, respectfully,

WM. H. PEACE,
Railway Postal Clerk, Norfolk and Rutherfordton Railway Post-office.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 16, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing

of mails on the Seaboard Air Line, and in connection with mail weigher's reports concerning the carrying of Atlanta Constitutions over that line.

Railway Postal Clerk Peace states that upon examination of these papers carried on train 38, April 15, he found them all addressed to individuals in Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

POST-OFFICE DEPARTMENT,
OFFICE GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE,
Washington, D. C., April 13, 1896.

Respectfully forwarded to Hon. Charles Neilson, Second Assistant Postmaster-General, for his information.

I handed you to-day two reports on same subject. These apparently show that everything is not as it ought to be on the Seaboard Air Line.

JAMES E. WHITE, *General Superintendent.*

MONROE, N. C., *April, 16, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Three hundred and twenty-eight pounds paper mail received at Weldon, N. C., to-day on Train 403 for Georgia. Most of this was Portsmouth newspapers for Atlanta.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 17, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 328 pounds of Portsmouth, Va., papers for the State of Georgia.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 17, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received from Monroe and Atlanta Railway Post-Office at Monroe, to-day, on Train 38, 330 pounds Atlanta Constitutions for Portsmouth, Va.

Very respectfully,

G. F. TAYLOR,
Mail Weigher, Norfolk and Rutherfordton.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 18, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line. Mail Weigher G. F. Taylor reports receipt of 330 pounds Atlanta Constitutions for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway post-office clerk on duty, Train No. 402, T. J. Murphy.

Left Monroe April 16, 1896, 9.15 p. m; arrived Weldon April 17, 1896, 4.20 a. m.

Received 3 sacks Atlanta Constitutions and 2 sacks Atlanta Journals, all for individuals at Portsmouth, Va.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 18, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line. Railway Postal Clerk T. J. Murphy reports the receipt of 3 sacks of Atlanta Constitutions and 2 sacks of Atlanta Journals, all for individuals in Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway post-office clerk on duty, train No. 403, T. J. Murphy.
Left Richmond April 16, 1896, 12.36 a. m.; arrived Monroe April 16, 1896, 10.20 a. m.
Received 5 sacks Portsmouth (Va.) Stars at Weldon, N. C., all for Atlanta, Ga.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 18, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line. Railway Postal Clerk Murphy states that he received 5 sacks of Portsmouth (Va.) Stars at Weldon, N. C., all for Atlanta, Ga.

CHAS. W. VICKERY, *Superintendent.*

APRIL 16, 1896.

Respectfully referred to Charles W. Vickery, superintendent.
Five hundred and twenty-five pounds Raleigh papers for points in South Carolina and Georgia, from 10 to 25 copies to each address.

Very respectfully,

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 18, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher A. J. Kline reports receipt of 525 pounds Raleigh, N. C., papers for South Carolina and Georgia.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 16, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.
One hundred and eighty pounds Atlanta Constitutions, all for Norfolk, Va.; also 15 pounds Atlanta Journals for Portsmouth, Va.

FRANK B. GLENN, *Weigher.*

Train No. 38.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 18, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher F. B. Glenn reports receipt of 180 pounds paper mail, Atlanta Constitutions, all for Norfolk, Va., and 15 pounds of Atlanta Journals for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 17, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Railway Mail Service, Washington, D. C.

Received at Monroe last night, from Monroe and Atlanta Railway Post-Office, 435 pounds of papers going to Portsmouth, Va., which seems to be an unusual mail.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 18, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt from Monroe and Atlanta Railway Post-Office 435 pounds of paper mail for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

APRIL 18, 1896.

Respectfully reported to C. W. Vickery, superintendent.

Two hundred pounds Portsmouth Stars of April 17, all for Atlanta, Ga.; 25 copies to each address.

One hundred and sixty-five pounds North Carolinians of April 16, on at Raleigh, N. C., for points on Monroe and Atlanta railway post-office, from 35 to 50 copies to each address.

Respectfully,

A. J. KLINE, *Weigher*.

Eighty-four pounds North Carolinians for Charlotte on at Raleigh, about 40 copies to each address.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 20, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 200 pounds of Portsmouth, Va., Stars for Atlanta, Ga., 165 pounds of North Carolinians for points on the Monroe and Atlanta railway post-office, and 84 pounds of North Carolinians for Charlotte, N. C.

CHAS. W. VICKERY, *Superintendent*.

[Copied from trip report.]

Railway postal clerk on duty, T. J. Murphy, Train 403.

Left Richmond, April 18, 1896, 12.36 a. m.; arrived Monroe, April 18, 1896, 10.40 a. m.

Received an unusual amount of mail at Weldon, N. C., from Portsmouth, Va., consisting of Portsmouth Stars, Washington Times, Seaboard Air Line advertisements, etc.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 20, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Murphy reports receipt of an unusual amount of mail at Weldon, N. C., consisting of Portsmouth Stars, Washington Times, and Seaboard Air Line advertising matter.

CHAS. W. VICKERY, *Superintendent*.MONROE, N. C., *April 18, 1896.*SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received to-day, on Train 403, at Weldon, N. C., 545 pounds of paper mail consisting of Portsmouth Stars, Washington, D. C., Times, and Seaboard Air Line advertising matter, from Portsmouth, Va., to Atlanta, Athens, and other points in Georgia. Portsmouth papers were in bundles of about 25 with only the outside one addressed. Washington papers marked "Sample copy," dates from April 4 to 11.

Respectfully,

G. T. TAYLOR, *Mail Weigher*.RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 20, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 545 pounds of paper mail consisting of Portsmouth Stars, Washington, D. C., Times, and Seaboard Air Line advertising matter from Portsmouth, Va., to Atlanta, Athens, and other points in Georgia.

CHAS. W. VICKERY, *Superintendent*.

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE

April 18, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I handled 375 pounds of Atlanta Constitutions of the issue of the 12th instant, for Portsmouth and Norfolk, Va. They were addressed to individuals.

Yours,

F. P. POWERS, *Railway Postal Clerk.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 20, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Powers reports handling 375 pounds of Atlanta Constitutions for Portsmouth, Va., and Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*WELDON, N. C., *April 18, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and nineteen pounds Atlanta Constitutions on No. 38 this date, 141 pounds for Portsmouth, Va., and 78 pounds for Norfolk, Va.

FRANK B. GLENN, *Weigher.*

(All single wrappers.)

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 20, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 219 pounds of Atlanta Constitutions, 141 pounds for Portsmouth, Va., and 78 pounds for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*WELDON, N. C., *April 19, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.

Received at Monroe last evening, from Monroe and Atlanta Railway Post-Office, 245 pounds of Atlanta Journals for Norfolk, Va., and 253 pounds of Atlanta Constitutions for Portsmouth, Va. The Constitutions were dated April 12 and the Journals the 17th.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 20, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 245 pounds of Atlanta Journals for Norfolk, Va., and 253 pounds of Atlanta Constitutions for Portsmouth, Va., the former dated April 17 and the latter April 12.

CHAS. W. VICKERY, *Superintendent.*CHARLOTTE, N. C., *April 19, 1896.*

C. W. VICKERY,

Superintendent Third Division, Railway Mail Service, Washington, D. C.

DEAR SIR: To-day I received from Raleigh, N. C. (slip attached), 70 pounds of The North Carolinian, a newspaper (weekly) published at Raleigh, marked "sample copies," to the following addresses and parties, all of whom are employees of the railroad: Mount Holly, N. C., R. B. Babington (agent), C. Rozzell (warehouse hand); Stanley, N. C., J. B. Putnam, agent; Iron Station, N. C., R. S. Rinhart, agent; Lincolnton, N. C., P. J. Pate (agent), G. Ramseur, W. Robinson, and A. C. Williams (employers and employees of the road); Lattimore, N. C., A. M. Lattimore, agent of the road and postmaster; Mooresboro, J. McDaniels, agent; Ellenboro, O. R. Coffield,

assistant agent; Bostic, N. C., Al. C. Smart, agent; Forest City, N. C., F. W. King, agent; Rutherfordton, N. C., D. W. Council (agent), R. L. Taylor (mail contractor for railroad).

This is a case just the same as the books last month.

Respectfully,

J. Y. WEDDINGTON,
Railway Postal Clerk, Norfolk and Rutherfordton Railway Post-Office.

(DESCRIPTION BY COPYIST.—This letter incloses a copy of The North Carolinian of April 9, 1896.)

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
April 19, 1896.

Copy of paper being sent to railroad agents and employees. This copy was furnished me by postmaster at Ellenboro, N. C.

Respectfully,

J. Y. WEDDINGTON.

April 19, T. 402, Wilmington and Rutherfordton.

Norfolk and Rutherfordton Railway Post-Office, Charlotte to Rutherfordton, from Raleigh, N. C. Papers. Raleigh, N. C., April 18, 1896. Time, 9 p. m. Guy L. Bunch.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 20, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line. Railway Postal Clerk Weddington reports receipt of 70 pounds of North Carolinians addressed to Seaboard Air Line Railroad agents.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
Norfolk and Rutherfordton Railway Post-Office, April 20, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I weighed 223 pounds of Atlanta Constitutions for Portsmouth, Va., and Norfolk, Va., of the issue of the 19th instant. They were addressed to separate individuals.

Yours,

F. P. POWERS, *Railway Postal Clerk.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 21, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Powers reports receipt of 223 pounds of Atlanta Constitutions for Portsmouth and Norfolk, Va.

C. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 19, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Fifty-six pounds of Washington (D. C.) Times of the 10th and 11th mailed at Portsmouth, Va.; single wrapper, marked "sample copy," and postpaid with stamps; all for Atlanta, Ga.

I also had 250 pounds of Seaboard Air Line matter for points south of Monroe. This was stamped.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 21, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 56 pounds of Washington (D. C.) Times mailed at Portsmouth, Va., and 250 pounds of Seaboard Air Line advertising matter for points south of Monroe, N. C.

C. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 20, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and ten pounds of Atlanta Constitutions, put up in bundles of about 30 papers, and each paper addressed to different persons, all for Norfolk, Va.

FRANK B. GLENN, *Weigher.*

P. S.—Ninety pounds of papers received at Littleton, N. C., going everywhere.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 21, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line. Mail Weigher Glenn reports receipt of 210 pounds of Atlanta Constitutions for Norfolk, Va., etc.

C. W. VICKERY, *Superintendent.*

APRIL 19, 1896.

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received from Monroe and Atlanta railway post-office, at Monroe, N. C., to-day, on train 38, 360 pounds Atlanta Constitutions and Journals from Atlanta, Ga., to Norfolk and Portsmouth, Va.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C. April 21, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 360 pounds of Atlanta Constitutions and Journals for Norfolk and Portsmouth, Va.

C. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, Train No. 41, O. G. Womble.

Left Monroe April 20, 1896, 6.15 a. m.; arrived Norfolk April 20, 1896, 6.10 p. m.

Received 3 sacks Atlanta Constitutions in bulk for Norfolk, Va. Papers were addressed to individuals.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 21, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Womble reports receipt of 3 sacks of Atlanta Constitutions in bulk for Norfolk, Va.

C. W. VICKERY, *Superintendent.*

ATLANTA, GA., *April 20, 1896.*

WHITE, *General Superintendent, Washington, D. C.:*

Rasp, I have reason for believing that there is something wrong with the weights now being taken on Route 121071. Suggest experienced inspector be sent here at once; evidence in post-office here.

TERRELL.

RAILWAY MAIL SERVICE,
OFFICE OF GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE,
Washington, D. C., April 21, 1896.

Respectfully forwarded to Hon. Charles Neilson, Second Assistant Postmaster-General, for his information and with the approval of this office of the request made by Superintendent Terrell.

JAMES E. WHITE, *General Superintendent.*

MONROE, N. C., *April 19, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.
Received at Weldon to-day on Train No. 41, 125 pounds of Portsmouth papers going to Georgia and South Carolina. They were in bundles of about 25 each, and only the outside one was addressed.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 21, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 125 pounds of Portsmouth papers for Georgia and South Carolina.

C. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 21, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Thirty-six pounds of Washington (D. C.) Times of the 10th and 11th, mailed at Portsmouth, Va., marked "sample copies," and postpaid with stamps, all for Atlanta. Also report 221 pounds of Seaboard Air Line matter, all for Georgia.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 22, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 36 pounds of Washington (D. C.) Times and 221 pounds of Seaboard Air Line advertising matter.

CHAS. W. VICKERY,
Superintendent.

MONROE, N. C., *April 22, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received at Weldon, N. C., to-day on train 403, 435 pounds paper mail; 290 pounds of this was the Progressive South from Richmond, Va., with tag on each sack addressed to O. S. Hayes, Statham, Ga. Each paper in separate wrapper, but not addressed. Balance consisted of Washington (D. C.) Times, Seaboard Air Line advertising matter from Portsmouth, Va., to points in Georgia.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 22, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 435 pounds of paper mail consisting of Progressive South, Washington (D. C.) Times, and Seaboard Air Line advertising matter.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 21, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.
Received at Weldon, N. C., 200 pounds of Portsmouth Star directed to Bogart, Ga. I had no hand scales to-day.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 22, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 200 pounds of Portsmouth papers for Bogart, Ga.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and thirty-two pounds Atlanta Constitutions of April 19 for Portsmouth to different addresses.

Respectfully,

A. J. KLINE, *Weigher.*

APRIL 19, 1896.
Train 402.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 22, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 232 pounds of Atlanta Constitutions for Portsmouth, Va.

C. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 22, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received 317 pounds Atlanta Constitutions at Monroe, N. C., to-day on train 38, from Atlanta, Ga., to Norfolk, Va.

Respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 22, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line. Mail Weigher Taylor reports receipt of 317 pounds of Atlanta Constitutions for Norfolk, Va.

C. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, J. Y. Weddington, Train 403.

Left Monroe April 20, 1896, 11.30 a. m.; arrived at Rutherfordton April 20, 1896, 3.35 p. m.

Received 10 pounds of The North Carolinian for Ellenboro and Bostic, N. C.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 22, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mail on the Seaboard Air Line.

Railway Postal Clerk Weddington reports receipt of 10 pounds of North Carolinians for Ellenboro and Bostic, N. C.

C. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
April 21, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I have 225 pounds of Atlanta Constitutions of the 19th issue. They were properly addressed.

Yours,

F. P. POWERS, *Railway Postal Clerk.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 23, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mail on the Seaboard Air Line.

Railway Postal Clerk Powers reports receipt of 225 pounds of Atlanta Constitutions.

CHAS. W. VICKERY, *Superintendent.*

[Georgia, Carolina and Northern Railway, Route No. 121071, Atlanta, Ga., to Monroe, N. C.]

Weight of mails conveyed northward, between each post-office, Train No. 38, on the 23d day of April, 1896.

[*Instructions.*—Weigh all mail received into or put out of car, including registered cases, empty pouches, sacks, etc., and enter the weight in proper column; make report in triplicate, two of which must be immediately mailed to Superintendent Railway Mail Service, Atlanta, Ga. The third will be retained by postal clerk.]

Post-office.	Put off.	Taken on.	Post-office.	Put off.	Taken on.
Atlanta, Ga		a1,724	Watts, S. C		
North Decatur, Ga			Abbeville, S. C	238	148
Montreal, Ga			Greenwood, S. C	76	
Tucker, Ga			Saluca, S. C		
Braden, Ga			Crosshill, S. C		
Lilburn, Ga			Mountville, S. C		
Luxomni, Ga			Clinton, S. C	205	
Gloster, Ga			Renno, S. C		
Lawrenceville, Ga	32	6	Whitmire, S. C	10	
Dacula, Ga			Delta, S. C		
Auburn, Ga			Carlisle, S. C	16	
Carl, Ga			Leeds, S. C		
Winder, Ga		36	Wise, S. C		
Statham, Ga			Chester, S. C	276	18
Paradise, Ga			Rodman, S. C		
Bogart, Ga			Hicklin, S. C		
Athens, Ga	276	39	Edgmoor, S. C		
Dowdy, Ga			Harmony, S. C		
Fiveforks, Ga			Catawba, S. C		
Comer, Ga			Vanwyck, S. C		
Carlton, Ga			Osceola, S. C		
Oglesby, Ga			Waxhaw, N. C	32	
Elberton, Ga	179	42	Potters, N. C		
Middleton, Ga			Monroe, N. C	673	
Heardmont, Ga					
Calhoun Falls, S. C			Total.....	2,013	2,013

a Received at Atlanta 444 pounds sample copies of newspapers, made up direct for Norfolk and Portsmouth, Va.

J. E. EUBANKS, *Weigher.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and twenty-five pounds Atlanta Constitutions of April 19, all for Norfolk, to different addresses.

Respectfully,
April 19 (train 402), 1896.

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 24, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 225 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 23, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.

Received at Monroe, from Monroe and Atlanta Railway Post-Office, Train 402, last night, 230 pounds of Atlanta Constitutions of last Sunday (19th) issue, going to Norfolk, Va.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 24, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 230 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 23, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Sixty-six pounds of Washington (D. C.) Times of back dates, mailed at Portsmouth, Va., all to Atlanta, Ga.

Also report 251 pounds of Seaboard Air Line matter, all for Georgia, Train 403, this date.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 24, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 66 pounds of Washington (D. C.) Times for Atlanta, Ga., and 251 pounds of Seaboard Air Line advertising matter for State of Georgia.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 23, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D C.

SIR: Received to-day on Train 38, at Monroe, N. C., from Monroe and Atlanta Railway Post-Office, 217 pounds Atlanta Constitutions, from Atlanta, Ga., to Portsmouth, Va.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, April 24, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mail on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 217 pounds of Atlanta Constitutions for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 22, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and eleven pounds of Atlanta Constitutions received at Monroe, N. C., from Monroe and Atlanta Railway Post-Office, all for Norfolk, Va.

FRANK B. GLENN, *Weigher.*

Train 382, this date.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D C., April 24, 1896.

Respectfully returned to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mail on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 211 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

[Georgia, Carolina and Northern Railway, route No. 121071. Monroe, N. C., to Atlanta, Ga.]

Weight of mails conveyed southward, between each post-office, Train No. 41, April 24, 1896.

[*Instructions.*—Weigh all mail received into or put out of car, including registered cases, empty pouches, sacks, etc., and enter the weight in proper column. Make report in triplicate, two of which must be immediately mailed to Superintendent Railway Mail Service, Atlanta, Ga., the third will be retained by postal clerk.]

Post-office.	Put off.	Taken on.	Post-office.	Put off.	Taken on.
Monroe, N. C.		a 965	Middleton, Ga.		
Potter, N. C. (met train 402 here)		56	Elberton, Ga.	73	
Waxhaw, N. C.		6	Oglesby, Ga.		
Osceola, S. C.			Carlton, Ga.		
Vanwyck, S. C.			Comer, Ga.		
Catawba, S. C.			Fiveforks, Ga.		
Harmony, S. C.			Dowdy, Ga.		
Edgmoor, S. C.			Athens, Ga.	146	
Hicklins, S. C.			Bogart, Ga.		
Rodman, S. C.			Paradise, Ga.		
Chester, S. C.	17	22	Statham, Ga.		
Wise, S. C.			Winder, Ga.	60	
Leeds, S. C.			Carl, Ga.		
Carlisle, S. C.		7	Auburn, Ga.		
Delta, S. C.			Dacula, Ga.		
Whitmires, S. C.		6	Lawrenceville, Ga.		
Renno, S. C.			Gloster, Ga.		
Clinton, S. C.		32	Luxomni, Ga.		
Mountville, S. C.			Lilburn, Ga.		
Crosshill, S. C.			Braden, Ga.		
Saluca, S. C.			Tucker, Ga.		
Greenwood, S. C.		18	Montreal, Ga.		
Abbeville, S. C.	279	196	North Decatur, Ga.		
Watts, S. C.			Atlanta, Ga.	733	
Calhoun Falls, S. C.					
Heardmont, Ga.					
			Total.....	1,308	1,308

a Received at Monroe, N. C., about 600 pounds sample copies newspapers from Raleigh, N. C., addressed to offices on line in South Carolina and Georgia.

MONROE, N. C., April 24, 1896.

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,

Washington, D. C.

SIR: Received at Raleigh, N. C., to-day, on Train 403, 275 pounds Raleigh papers for Monroe and Atlanta and Norfolk, and Rutherfordton, west of Monroe. Papers in large bundles with only one address to each bundle.

Very respectfully,

G. T. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,

OFFICE SUPERINTENDENT OF THIRD DIVISION,

Washington, D. C., April 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 275 pounds of Raleigh papers, papers in large bundles, with only one address to each bundle.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, O. G. Womble, Train 38.

Left Monroe April 22, 1896, 6.15 a. m.; arrived Norfolk April 22, 1896, 6.10 p. m.

Received at Monroe, N. C., 3 sacks Atlanta Constitutions in bulk for Norfolk, Va. Papers addressed to individuals.

RAILWAY MAIL SERVICE,

OFFICE SUPERINTENDENT OF THIRD DIVISION,

Washington, D. C., April 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Womble reports receipt of 3 sacks of Atlanta Constitutions for Norfolk, Va., addressed to individuals.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 21, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.
 Received at Monroe, from Monroe and Atlanta Railway Post-Office last night 250 pounds of Atlanta Constitutions addressed to Norfolk, Va., also 100 pounds of Seaboard Air Line advertisements from points in Georgia and South Carolina to New Hampshire, New Jersey, Connecticut, and Massachusetts.

I had no hand balances.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 250 pounds of Atlanta Constitutions for Norfolk, Va., and 100 pounds of Seaboard Air Line advertising matter for various States.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 23, 1896.*

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.
 Received at Weldon, N. C., 115 pounds of Portsmouth Stars, of the 22d date, going to Georgia. I had no hand scales on the round trip.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 115 pounds of Portsmouth, Va., Stars, for State of Georgia.

CHAS. W. VICKERY, *Superintendent.*

CAMERON, N. C., *April 23, 1896.*

Mr. CHAS. W. VICKERY,
Superintendent, Washington, D. C.

SIR: I have complied with special order of the 13th instant, and find Atlanta Constitutions addressed to individuals.

Respectfully,

T. E. BATTLE, *Railway Postal Clerk, Norfolk and Rutherfordton Railway Post-Office.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Battley states that upon examination of the Atlanta Constitutions now being handled on that line he found them addressed to individuals.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 24, 1896.*

Respectfully reported to C. W. Vickery, superintendent, Washington, D. C.

Six hundred and eight pounds North Carolinians of April 23 received at Raleigh for points on Monroe and Atlanta Railway Post-Office, marked "Sample copy;" from 30 to 50 copies to each address.

Fifty-five pounds same as above for Norfolk and Rutherfordton, west of Charlotte.

Respectfully,

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 663 pounds of North Carolinians.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 25, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Four hundred and forty-one pounds Atlanta Constitutions and Journals received at Monroe, N. C., from Monroe and Atlanta Railway Post-Office, to-day, on train 38; 295 pounds for Portsmouth, Va., and 146 pounds for Norfolk, Va.

Very respectfully,

G. F. TAYLOR.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 441 pounds of Atlanta Constitutions and Journals for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 24, 1896.*

Respectfully reported to Charles W. Vickery, superintendent, that I received on train No. 38, this date, 444 pounds of Atlanta papers from Monroe and Atlanta Railway Post-Office; 191 pounds of these papers were for Portsmouth, Va., and the rest (253 pounds) for Norfolk, Va.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 444 pounds Atlanta papers for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 26, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received at Weldon, N. C., to-day, on train 403, 107 pounds Seaboard Air Line advertising matter and 27 pounds Washington, D. C., Times for offices in Georgia.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 107 pounds of Seaboard Air Line advertising matter and 27 pounds of Washington Times.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, T. J. Murphy, train 403.
 Left Richmond April 25, 1896, 12.36 a. m.; arrived Monroe April 25, 1896, 10.40 a. m.
 Received at Weldon from Portsmouth, Va., 5 sacks, 275 pounds, Portsmouth Star, for Columbus, Ga. They were in packages of 20 or 25, addressed to individuals.

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
 Washington, D. C., April 27, 1896.

Respectfully forwarded to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Murphy reports receipt of 275 pounds of Portsmouth, Va., Star for Columbus, Ga.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, J. Y. Weddington, train 403.
 Left Monroe April 25, 1896, 10.45 a. m.; arrived Rutherfordton April 25, 1896, 3 p. m.
 Received 52 pounds of the North Carolinian.

RAILWAY MAIL SERVICE,
 OFFICE OF SUPERINTENDENT OF THIRD DIVISION,
 Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line..

Railway Postal Clerk Weddington reports receipt of 52 pounds of North Carolinians.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, T. J. Murphy, Train No. 402.
 Left Monroe April 25, 1896, 10.25 p. m.; arrived at Weldon April 26, 1896, 6.15 a. m.
 Received 3 sacks, 217 pounds, Atlanta Constitutions for Norfolk, Va., at Monroe, N. C., all addressed to individuals.

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
 Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Murphy reports receipt of 217 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., April 25, 1896.

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.
 Received at Monroe, N. C., from Monroe-Atlanta Railway Post-Office, 250 pounds of Atlanta Constitutions (Sunday, 19th, issue) going to Portsmouth, Va.
 Also 98 pounds Seaboard Air Line advertisements from South Carolina and Georgia to Massachusetts.

I had no hand balances.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT THIRD DIVISION,
 Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 250 pounds of Atlanta Constitutions, and 98 pounds of Seaboard Air Line advertising matter.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., April 25, 1896.

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.
Received at Weldon, N. C., 150 pounds of Portsmouth Stars going to Columbus, Ga.; also 200 pounds of public documents from Washington and Charleston, Train No. 23, going to stations between Hamlet and Monroe. Had no hand scales and had only one weight with other scales.

Respectfully,

A. R. GRAYBILL, *Weigher*.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 150 pounds of Portsmouth (Va.) Stars and 200 pounds of public documents.

CHAS. W. VICKERY, *Superintendent*.

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
April 26, 1896.

Respectfully referred to Charles W. Vickery, esq., superintendent, Railway Mail Service, Third Division, with information that I received 4 sacks of Atlanta Journals and 3 sacks of Atlanta Constitutions for Norfolk, Va., and 1 sack of Journals for Portsmouth, Va.; all addressed to individuals.

The above was received to-day.

JOHN GIBSON, *Railway Postal Clerk*.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of the mails on the Seaboard Air Line.

Railway Postal Clerk Gibson reports receipt of 4 sacks of Atlanta Journal and 3 sacks of Atlanta Constitution for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent*.

MONROE, N. C., April 25, 1896.

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and seventy-seven pounds of Portsmouth evening papers of the 24th, all for Columbus, Ga.

These papers were all put up in bundles of 15 to 25 papers, and each bundle addressed to a different person.

FRANK B. GLENN, *Weigher*.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 277 pounds of Portsmouth, Va., papers for Columbus, Ga.

CHAS. W. VICKERY, *Superintendent*.

CHARLOTTE, N. C., April 24, 1896.

Mr. C. W. VICKERY,

Superintendent Third Division Railway Mail Service, Washington, D. C.

SIR: I had on this trip sample copies of the Raleigh, N. C., papers, 110 pounds, delivered to me at Monroe, N. C. Also 1 canvas, made up by Raleigh post-office, for west of Charlotte, with 20 pounds. There were no addresses on inside, each package marked to one address, and all for railroad employees of the Seaboard Air Line.

Also I had 20 pounds of the Portsmouth (Va.) Stars, sample copies for Seaboard Air Line agents west of Charlotte, N. C.

Respectfully, etc.,

H. T. ROLLINS,
Norfolk and Rutherfordton Railway Post-Office.

P. S.—The most of the Raleigh paper went off Charlotte, N. C.
(Attached sheet indorsed:) "Portsmouth Star, all for S. A. L. agents."

Agent, Stanly, N. C	1
Agent, Cherryville, N. C	1
Agent, Iron Station, N. C	1
Agent, Crouse, N. C	1
Agent, Lincolnton, N. C	1
Agent, Mount Holly, N. C	3
Agent, Waco, N. C	1
Agent, Ellenboro, N. C	2
Agent, Bostic, N. C	1

Twenty pounds.

All this from Portsmouth, Va., April 23, 1896.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Rollins reports receipt of paper mail addressed to Seaboard Air Line agents.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, T. J. Murphy, Train 402.

Left Monroe April 23, 1896, 9 15 p. m.; arrived Weldon April 24, 1896, 4.55 a. m.

Received at Monroe, N. C., 3 sacks Atlanta Constitutions for Portsmouth, Va., addressed to individuals.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Murphy reports receipt of 3 sacks of Atlanta Constitutions for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 24, 1896.*

Respectfully referred to C. W. Vickery, superintendent, Washington, D. C.

One hundred and ten pounds Seaboard Air Line matter received at Monroe from Monroe and Atlanta Railway Post-Office for Connecticut.

Two hundred and fifty-one pounds Atlanta Constitutions for Portsmouth to different addresses.

Very respectfully,
Train 402.

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 110 pounds of Seaboard Air Line advertising matter and 251 pounds Atlanta Canstitutions.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, T. J. Murphy; Train 402.

Left Monroe April 23, 1896, 9.15 p. m.; arrived Weldon April 24, 1896, 4.35 a. m.

Received at Monroe, N. C., from Monroe and Atlanta railway post-office, 2 sacks, 110 pounds, Seaboard Air Line advertising matter, published in Richmond, Va., labeled Connecticut.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line. Railway Postal Clerk Murphy reports receipt of 110 pounds of Seaboard Air Line advertising matter at Monroe, N. C., published in Richmond, Va., for State of Connecticut.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *April 26, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Six hundred and ten pounds of Atlanta papers on No. 38, this date, received from Monroe and Atlanta railway post-office. Three hundred and twenty-four pounds of these papers were Atlanta Journals and were for Norfolk, Va.; 226 pounds were Atlanta Constitutions and were also for Norfolk, Va., and 60 pounds were Journals for Portsmouth, Va. All were dated the 25th.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF FOURTH DIVISION,
Atlanta, Ga., April 28, 1896.

Respectfully forwarded to General Superintendent Railway Mail Service, Washington, D. C.

L. M. TERRELL, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 28, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 610 pounds of Atlanta papers for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to C. W. Vickery, superintendent.

Two hundred and seventeen pounds Atlanta Constitutions for Norfolk dated April 19, 20 separately addressed.

Respectfully,
TRAIN 402, *April 25.*

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 28, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 217 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to Charles W. Vickery, superintendent, Washington, D. C. Two hundred and nine pounds of Portsmouth Stars dated April 25 for points in Georgia, 25 copies to each address.

Respectfully,
TRAIN 41, *April 26, 1896.*

A. J. KLINE, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 28, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 209 pounds of Portsmouth (Va.) Stars for Georgia.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railway postal clerk on duty, T. J. Murphy; Train 402.
Left Monroe April 27, 1896, 9.35 p. m.; arrived Weldon April 28, 1896, 4.30 a. m.
Received at Monroe, N. C., 3 sacks (230 pounds) Atlanta Constitutions for Norfolk, Va.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 29, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Murphy reports receipt of 230 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C.

Respectfully reported to Charles W. Vickery, superintendent.
Three hundred and two pounds of Atlanta papers on No. 38 this date; 195 pounds of these papers were Atlanta Constitutions of the 26th, and were for Norfolk, Va.; 78 pounds were Atlanta Journals of the 27th, also for Norfolk, Va., and 29 pounds of Atlanta Journals of the 27th for Portsmouth, Va.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 29, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 302 pounds of Atlanta papers for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 27, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received at Monroe, N. C., to-day, train 38, from Monroe and Atlanta, 198 pounds Atlanta Constitutions, for Norfolk, Va.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 29, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 198 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

Respectfully referred to Charles W. Vickery, superintendent, Washington, D. C.
Two hundred and fourteen pounds Portsmouth Stars for points on Monroe and Atlanta Railway Post-Office, 25 copies to each address.

Respectfully,

A. J. KLINE, *Weigher.*

TRAIN 41, *April 28, 1896.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 30, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 214 pounds of Portsmouth (Va.) Stars for points on the Monroe and Atlanta Railway Post-Office.

CHAS. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
April 29, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I handled 118 pounds of Atlanta Constitutions, of the 26th issue, for Norfolk, Va., on train 402, April 28, 1896.

Yours,

F. P. POWERS, *Railway Postal Clerk.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 30, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Powers reports receipt of 118 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to Charles W. Vickery, superintendent. Two hundred and thirty pounds of Atlanta Constitutions of April 26; all for Norfolk, to separate address.

Respectfully,

A. J. KLINE.

TRAIN 402, *April 27, 1896.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 30, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 230 pounds Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., April 29, 1896.

Mr. L. M. TERRELL, *Atlanta, Ga.*

SIR: Referring to the weighing of the mails on the Seaboard Air Line Railroad between Atlanta, Ga., and Monroe, N. C., I have the honor to report that on April 27, 6 sacks of the Sunday edition of the Atlanta Constitution, weighing 450 pounds, and on April 28, 4 sacks of the same paper, weighing 320 pounds, all for Norfolk, Va., were dispatched over this line; also on April 27, 2 sacks of the Atlanta Journal, weighing 100 pounds, and on April 28, 3 sacks of the same paper, weighing 119 pounds, all for Norfolk, Va., were dispatched over this line.

Very respectfully,

JNO. F. BLODGETT, *Chief Clerk.*

RAILWAY MAIL SERVICE,
OFFICE OF THE SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., April 30, 1896.

Respectfully referred to General Superintendent Railway Mail Service, Washington, D. C., for the information of Inspector Gregory.

L. M. TERRELL, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., April 27, 1896.

L. M. TERRELL, *Superintendent, Atlanta, Ga.*

SIR: Referring to the weighing of the mails on the Seaboard Air Line Railroad between Atlanta and Monroe, N. C., I have the honor to report that at the a. m. dispatch, Saturday, April 25, 3 sacks containing the Atlanta Daily Constitution for Norfolk, Va., weighing 210 pounds, were forwarded by Train 403, and at the p. m. dispatch 3 sacks of this same paper, addressed to the same post-office, weighing 220 pounds, were forwarded by Train 38.

On Sunday, April 26, the a. m. dispatch of this paper, by Train 403, for the same office, weighed 212 pounds, and the p. m. dispatch, forwarded by Train 38, weighed 201 pounds. For your further information I desire to add that the papers dispatched are the Sunday edition of the Constitution, only; those forwarded on Saturday, 25th, were dated Sunday the 19th, and those forwarded on Sunday the 26th, were dated the date upon which they were forwarded. I also desire to inform you that the Atlanta Evening Journal, on Saturday, April 25, dispatched 3 canvases of their Saturday's edition, dated the 25th, to Norfolk, Va., the weight of which was 370 pounds, and went forward on Train 38 of the 25th.

Very respectfully,

JNO. F. BLODGETT, *Chief Clerk.*

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., April 28, 1896.

Respectfully forwarded to General Superintendent Railway Mail Service, Washington, D. C., for the information of Inspector Gregory.

L. M. TERRELL, *Superintendent.*

RAILWAY MAIL SERVICE, FOURTH DIVISION,
April 25, 1896.

Mr. L. M. TERRELL, *Superintendent, Atlanta, Ga.*

SIR: On last trip I received 7 sacks of sample copies of papers from Raleigh, N. C., made up to the line, Georgia and South Carolina together. Will you please request that in the future this be made up in Georgia and South Carolina sacks. Inclosed find labels. This is the second time I have received this. I think this office ought to make up a few direct packs of this mail, as I made up a large sack each for Greenwood, Abbeville, Elberton, Athens, and Winder.

Very respectfully,

J. E. EUBANKS,
Railway Postal Clerk, Monroe and Atlanta Railway Post-Office.

(Attached to this letter are 7 labels postmarked Raleigh, N. C.)

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., April 27, 1896.

Respectfully forwarded to General Superintendent Railway Mail Service, Washington, D. C., for the information of Inspector Gregory.

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., May 1, 1896.

L. M. TERRELL,
Superintendent Railway Mail Service, Atlanta, Ga.

SIR: Referring to the weighing of the mails on the Seaboard Air Line Railroad between Atlanta, Ga., and Monroe, N. C., I have the honor to report that on April 29, 4 sacks of the Sunday edition of the Atlanta Constitution, weighing 205 pounds, all for Norfolk, Va., were forwarded over this line, and that on April 30, 4 sacks of the Sunday edition of this paper, weighing 342 pounds, for Norfolk, Va., were sent by this line; also, on June 29, 1 sack Evening Journal, Wednesday's edition, weighing 85 pounds, for Norfolk, Va., and 1 sack, weighing 30 pounds, for Portsmouth, Va., and on April 30, 2 sacks of Thursday's edition, weighing 120 pounds, for Norfolk, Va., were also forwarded over this line.

Very respectfully,

JNO. F. BLODGETT, *Chief Clerk.*

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., May 1, 1896.

Respectfully forwarded to General Superintendent Railway Mail Service, Washington, D. C., for the information of Inspector Gregory.

L. M. TERRELL, *Superintendent.*

WELDON, N. C., *April 30, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

One hundred and nine pounds of Atlanta Constitution, dated the 26th, on train No. 38, this date, all for Norfolk, and each addressed to a different person.

FRANK B. GLENN, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 1, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 109 pounds Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 29, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received at Monroe, N. C., to-day, from Monroe and Atlanta Railway Post-Office, 227 pounds Atlanta Constitutions and Journals, for Norfolk and Portsmouth, Va.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 1, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 227 pounds of Atlanta Constitutions and Journals for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
Monroe, N. C., April 29, 1896.

Respectfully referred to Mr. Charles W. Vickery, superintendent, Washington, D. C.

Received from Monroe and Atlanta Railway Post-Office 225 pounds April 26, and 125 pounds April 28, Atlanta Constitutions, for Norfolk, Va. The papers were Sunday, (26th) issue. Received at Weldon, to-day, from Portsmouth, Va., 175 pounds Portsmouth Stars for Columbus, Ga.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 1, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 525 pounds of Atlanta Constitutions and Portsmouth Stars.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., May 2, 1896.

L. M. TERRELL,
Superintendent, Atlanta, Ga.

SIR: Referring to the weighing of the mails on the Seaboard Air Line between Atlanta, Ga., and Monroe, N. C., I have the honor to report that 4 sacks Atlanta Constitution, weighing 225 pounds, Sunday edition of this paper, for Norfolk, Va., were dispatched over this line May 1; also on May 1, 2 sacks of the Atlanta Journal, Friday's edition, weighing 125 pounds, for Norfolk, Va., were dispatched over this line. On May 2, 4 sacks of the Atlanta Constitution, Sunday's edition, weighing 237 pounds, for Norfolk, Va., and on the same date 3 sacks of the Atlanta Journal, edition of May 2, weighing 200 pounds, for Norfolk, Va., were dispatched by this line.

Very respectfully,

JNO. F. BLODGETT, *Chief Clerk.*

WELDON, N. C., *May 1, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION.

SIR: Received from Monroe and Atlanta Railroad at Monroe, N. C., to-day, on Train 38, 90 pounds Atlanta Journals for Norfolk, Va.; 36 pounds Atlanta Journals for Portsmouth, Va.; 120 pounds Atlanta Constitutions for Norfolk, Va., also received at Franklinton, N. C., 103 pounds public documents for J. B. Gordon, Washington, D. C.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 2, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 349 pounds of Atlanta papers and public documents, the latter received at Franklinton, N. C., addressed to J. B. Gordon, Washington, D. C.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
Weldon, N. C., May 1, 1896.

Respectfully referred to Mr. C. W. Vickery, superintendent, Washington, D. C.

SIR: Received at Monroe, from Monroe and Atlanta, Constitutions and 85 pounds of Atlanta Journals going to Norfolk, Va. The Constitutions were published the 26th and the Journals the 29th ultimo.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 2, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 210 pounds of Atlanta papers for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *May 1, 1896.*

Mr. C. W. VICKERY,
Superintendent Railway Mail Service, Third Division, Washington, D. C.

SIR: Received at Weldon, N. C., on Train No. 41, to-day, 222 pounds of Portsmouth Stars going to points in Georgia.

The papers were in bundles of about 25 each, and only the outside paper addressed.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 4, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 222 pounds Portsmouth (Va.) Stars for points in Georgia.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and fifty-four pounds Portsmouth Stars of April 28, all for Georgia; 25 copies to each address.

A. G. KLINE, *Weigher.*

TRAIN 41, *April 30, 1896.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 2, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 254 pounds of Portsmouth (Va.) Stars for State of Georgia.

CHAS. W. VICKERY, *Superintendent.*

Respectfully reported to Charles W. Vickery, superintendent.

One hundred and fifteen pounds of Atlanta Constitutions of April 26, for Norfolk, Va., to separate addresses.

A. G. KLINE, *Weigher.*

TRAIN 402, *April 29, 1896.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 2, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 115 pounds of Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE, *May 2, 1896.*

Respectfully referred to Charles W. Vickery, superintendent, with information that Norfolk and Rutherfordton Train 403 received an unusual amount of mail at Weldon, N. C., consisting of Washington (D. C.) Times from Portsmouth, Va.; Seaboard Air Line advertising matter.

T. J. MURPHY,
Railway Postal Clerk, Norfolk and Rutherfordton.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington D. C., May 4, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline and Railway Postal Clerk Murphy report receipt of Seaboard Air Line advertising matter and Washington (D. C.) Times, the latter having been mailed at Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *May 1, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

The following mail on Train No. 403 this date, 347 pounds of Seaboard Air Line matter for Georgia.

Seventy-eight pounds of Washington (D. C.) Times of old dates, mailed at Portsmouth, Va., postpaid with stamps, all for Atlanta, Ga.

FRANK B. GLENN.

MONROE, N. C., *May 2, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received at Weldon, N. C., to-day, Train 403, 196 pounds Seaboard Air Line advertising matter for offices in Georgia, and 52 pounds Washington (D. C.) Times, for Atlanta, Ga.

Very respectfully,

G. F. TAYLOR, *Mail Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 4, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 196 pounds Seaboard Air Line mail, advertising matter, and 52 pounds Washington (D. C.) Times.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *April 3, 1896.*

Mr. C. W. VICKERY,
Superintendent Railway Mail Service, Washington, D. C.

SIR: Received at Monroe, N. C., from Monroe and Atlanta Railway Post-Office last night, 125 pounds of Atlanta Constitutions going to Norfolk, Va.

They were of last Sunday's issue.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 4, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 125 pounds Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

[Copied from trip report.]

Railroad postal clerk on duty, T. J. Murphy, Train 402.

Left Monroe May 1, 1896, 9.25 p. m.; arrived Weldon May 2, 1896, 4.35 a. m.

Received at Monroe, N. C., from Monroe and Atlanta Railroad Post-Office, 115 pounds Atlanta Constitutions for Norfolk, Va., addressed to individuals.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 4, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

T. J. Murphy, railroad postal clerk, reports receipt of 115 pounds Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *May 2, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and forty-nine pounds of Atlanta papers on Train No. 38, this date; 113 pounds of these papers were Atlanta Constitutions dated the 26th of April and addressed to Norfolk, Va.; 98 pounds were Atlanta Journals of the 1st, for Norfolk, Va.; and 38 pounds were Constitutions of 26th of April, for Portsmouth, Va. Each paper addressed to a different person.

FRANK B. GLENN.

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 4, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 113 pounds Atlanta Constitutions and Journals for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., May 5, 1896.

L. M. TERRELL, *Superintendent, Atlanta, Ga.*

SIR: Referring to the weighing of mails on the Seaboard Air Line between Atlanta, Ga., and Monroe, N. C., I have the honor to report that on May 3, 3 sacks of the Atlanta Constitutions, Sunday's edition, weighing 132 pounds for Portsmouth, Va., and 1 sack of the Atlanta Constitution, Sunday's edition, weighing 74 pounds for Norfolk, Va., were dispatched over this line. May the 3 being Sunday there were no Journals on this date. On May 4, 4 sacks of the Atlanta Constitution, Sunday's edition, weighing 235 pounds for Portsmouth, Va., and on same date 3 sacks of Atlanta Journals, issue of May 4, weighing 177 pounds, for Norfolk, Va., were dispatched over this line.

Very respectfully,

JNO. F. BLODGETT, *Chief Clerk.*

Respectfully referred to C. W. Vickery, superintendent.

One hundred and fourteen pounds Atlanta Constitution for Norfolk, to separate addresses.

A. J. KLINE, *Weigher.*TRAIN 402, *May 1, 1896.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 5, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 114 pounds Atlanta Constitution for Norfolk, Va.

C. W. VICKERY, *Superintendent.*WELDON, N. C., *May 4, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Seventy-six pounds of Atlanta Constitution, for 26th of April, for Norfolk, Va., and 35 pounds of same publication for Portsmouth, Va.

FRANK B. GLENN, *Weigher.*TRAIN 38, *May 4, 1896.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 5, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 111 pounds Atlanta Constitution for Norfolk and Portsmouth, Va.

C. W. VICKERY, *Superintendent.*

MONROE, N. C., *May 3, 1896.*

Mr. C. W. VICKERY,
Superintendent Railway Mail Service, Washington, D. C.

SIR: Received at Weldon, N. C., to-day, 205 pounds of Portsmouth Stars going to Columbus, Ga.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 5, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 205 pounds Portsmouth (Va.) Stars for Columbus, Ga.

C. W. VICKERY, *Superintendent.*

MONROE, N. C., *May 3, 1896.*

Respectfully reported to Charles W. Vickery, superintendent.

Two hundred and seventy-six pounds of Seaboard Air Line matter, all for Georgia; also 20 pounds of Washington (D. C.) Times, of old dates, mailed at Portsmouth, Va., postpaid with stamps, all for Atlanta, Ga.

FRANK B. GLENN, *Weigher.*

TRAIN 403, *May 3, 1896.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 5, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Glenn reports receipt of 296 pounds of Seaboard Air Line advertising matter and Washington (D. C.) Times, for Portsmouth, Va.

C. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
May 1, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I handled on Train 402, last night, 85 pounds of Atlanta Journals of the 29th ultimo, and 125 pounds of Atlanta Constitutions of the 26th ultimo, all for Norfolk, Va., properly addressed.

Yours,

F. P. POWERS,
Railway Postal Clerk.

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 5, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Powers reports receipt of 210 pounds of Atlanta Constitutions and Journals.

C. W. VICKERY, *Superintendent.*

Respectfully referred to C. W. Vickery, superintendent.

One hundred and seventy pounds Portsmouth Stars for points in Monroe and Atlanta Railway Post-Office, 25 copies to each address.

A. J. KLINE, *Weigher.*

TRAIN 41, *May 2, 1896.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 5, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Kline reports receipt of 170 pounds Portsmouth (Va.) Stars for points on the Monroe and Atlanta Railway Post-Office.

C. W. VICKERY, *Superintendent.*

WELDON, N. C., *May 5, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received at Monroe, N. C., to-day, on Train 38, from Monroe and Atlanta Railway Post-Office, 156 pounds Atlanta Journals for Norfolk, Va., and 127 pounds Atlanta Constitutions for Portsmouth, Va.; total, 283 pounds.

Very respectfully,

G. F. TAYLOR, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 6, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 283 pounds Atlanta papers for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *May 5, 1896.*

Mr. C. W. VICKERY,
Superintendent Railway Mail Service, Washington, D. C.

SIR: Received at Monroe, from Monroe and Atlanta railway post-office, 120 pounds of Atlanta Constitutions going to Portsmouth, Va. They were published April 26.

Very respectfully,

A. K. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 6, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with weighing mails on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 120 pounds Atlanta Constitutions for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

WELDON, N. C., *May 3, 1896.*

SUPERINTENDENT RAILWAY MAIL SERVICE, THIRD DIVISION,
Washington, D. C.

SIR: Received at Monroe, N. C., to-day, Train 38, from Monroe and Atlanta railway post-office, 155 pounds Atlanta Journals for Norfolk, Va.; 59 pounds Atlanta Journals for Portsmouth, Va.; 122 pounds Constitutions for Norfolk, Va.

Very respectfully,

G. F. TAYLOR, *Weigher.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 6, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Mail Weigher Taylor reports receipt of 336 pounds of Atlanta papers for Norfolk and Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
May 3, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I handled 125 pounds of Atlanta Constitutions, of the 26th ultimo issue, on Train 402 last night for Norfolk, Va.

Yours,

F. P. POWERS,
Railway Postal Clerk.

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 6, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Powers reports receipt of 125 pounds Atlanta Constitutions for Norfolk, Va.

CHAS. W. VICKERY, *Superintendent.*

NORFOLK AND RUTHERFORDTON RAILWAY POST-OFFICE,
May 5, 1896.

Respectfully submitted to Charles W. Vickery, superintendent, Washington, D. C., with the information that I handled 120 pounds of Atlanta Constitutions for Portsmouth, Va., of the issue of 26th of April.

Yours,

F. P. POWERS, *Railway Postal Clerk.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 6, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

Railway Postal Clerk Powers reports receipt of 120 pounds Atlanta Constitutions for Portsmouth, Va.

CHAS. W. VICKERY, *Superintendent.*

MONROE, N. C., *May 5, 1896.*

Mr. C. W. VICKERY,
Superintendent Railway Mail Service, Washington, D. C.

SIR: Received at Weldon to-day 215 pounds of Portsmouth Stars going to Columbus, Ga. I had no scales of any kind until I got to Henderson, N. C., therefore can not make a full report.

Very respectfully,

A. R. GRAYBILL, *Weigher.*

RAILWAY MAIL SERVICE,
 OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., May 7, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mail on the Seaboard Air Line.

Mail Weigher Graybill reports receipt of 215 pounds of Portsmouth Stars for Columbus, Ga.

CHAS. W. VICKERY, *Superintendent.*

[Telegram.]

ATLANTA, GA., *March 26, 1896.*

WHITE, *General Superintendent, Washington, D. C.*

In effect Sunday, 29th. Monroe and Atlanta Trains 34 and 45 will be discontinued. Train 34 now carries a. m. dispatch from Atlanta for Columbia and Charleston and Clinton Railway Post-Office, estimated weight 400 pounds. After 29th this should go via Augusta and Atlanta Railway Post-Office, or be seriously delayed. Authorize diversion of same by wire.

KING.

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., May 8, 1896.

Respectfully forwarded to General Superintendent Railway Mail Service, Washington, D. C., for the information of Inspector Gregory.

L. M. TERRELL, *Superintendent.*

POST-OFFICE DEPARTMENT,
OFFICE GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE,
Washington, D. C., May 13, 1896.

Respectfully forwarded to Hon. Charles Neilson, Second Assistant Postmaster-General (Division of Railway Adjustments).

All of the papers in this case, I believe, are in your hands.

LILBURN T. MYERS,
Acting General Superintendent.

NEW YORK CITY, N. Y., *June 19, 1896.*

POSTMASTER-GENERAL, *Washington, D. C.*

DEAR SIR: The list inclosed gives offices, stations, and number of mail bags left containing books from Congressmen and Senators, which were sent out during weighing season. There were franks on each book to be filled out that would carry book to destination after book had been addressed by agents. These bags were sent out in advance; Superintendent V. E. McBee went over the road in his private car and had J. T. Elmore, G. E. Lemon, W. P. Stalnaker, and W. B. Summerset, road masters over their respective divisions, give agents proper instructions as to mailing these packages from time to time, also newspapers were subscribed for all along the line, using fictitious names at an average of about 1,000 copies per week from every town of any importance. This lasted during the entire mail-weighing season, and was conducted by general superintendent on an order from vice-president and general manager. The division road masters did nothing else for several weeks but look after this line of business. The general superintendent ordered the general car inspector, who at that time resided at Park Hotel, Raleigh, to conduct the work, but he declined to be a party to any such arrangement. He is a square man, and shortly after that left Raleigh. No doubt the postmaster at Raleigh could give you his address wherever he is located. Whether still in the employ of the company or not, he will tell the facts if called upon to do so.

Yours, truly,

ONE WHO KNOWS.

REPORTS FROM POSTMASTERS.

Names of parties to whom documents were sent by railroad agent at Southern Pines, N. C.

M. Marsh, Abbeville, S. C.
John Banton, Abbeville, S. C.
C. Warren, Chester, S. C.
John Harrison, Chester, S. C.
E. Reinhart, Chester, S. C.
J. White, Chester, S. C.
C. Graham, Chester, S. C.
John Jund, Chester, S. C.
M. Young, Chester, S. C.
Warren Price, Chester, S. C.
McD. Melts, Whitmires, S. C.
B. R. Truesdal, Whitmires, S. C.
J. Patterson, Whitmires, S. C.
M. Campbell, Whitmires, S. C.
W. Green, Whitmires, S. C.
Milt Cunningham, Whitmires, S. C.
James Hunter, Whitmires, S. C.
J. S. Shettle, Carlisle, S. C.
Van Gregory, Carlisle, S. C.
Jesse Brice, Carlisle, S. C.

J. Connell, Carlisle, S. C.
O. F. Holland, Catawba, S. C.
C. Davis, Catawba, S. C.
Wade Higgins, Catawba, S. C.
Jake Spring, Catawba, S. C.
W. H. Parrish, Edgmoor, S. C.
Jake Brow, Edgmoor, S. C.
S. Miller, Edgmoor, S. C.
L. R. Claxton, Greenwood, S. C.
J. J. Castleberry, Greenwood, S. C.
C. J. Dellinger, Rodman, S. C.
John Davis, Rodman, S. C.
Robt. Wilkes, Rodman, S. C.
Paul Polk, Rodman, S. C.
John Roper, Monroe, N. C.
B. Crawford, Monroe, N. C.
J. Marsh, Monroe, N. C.
R. Henry, Waxhaw, N. C.
Thos. Weathers, Waxhaw, N. C.
W. W. Black, Waxhaw, N. C.

ELLENBORO, N. C., *March 28, 1896.*The POSTMASTER-GENERAL, *Washington, D. C.*

DEAR SIR: There is mail delivered to the depot agent at this place, and he is remailing to the different post-offices in Georgia.

There has been 400 pounds of this mail or more. I fail to understand this matter since the postmaster is responsible for the mail of his office.

It appears to me to be in the interest of the railroad company, as the mails are being weighed at this time. You will please advise this office, as it is my purpose to protect myself and the Government's interest.

Your obedient servant,

ROBERT A. DURHAM, *Postmaster.*UNITED STATES POST-OFFICE,
*Charlotte, N. C., March 25, 1896.*Mr. T. M. ARRINGTON,
Inspector in Charge, Washington, D. C.

SIR: A matter has been brought to my official notice to which I deem it my duty to invite your attention. Public documents are being sent out from Washington under the frank of J. B. Gordon, United States Senator, directed in bulk to station agents of Seaboard Air Line Railroad, principally at points between Monroe and Ruthersfordton. Accompanying each sack are labels addressed to sundry persons in various parts of Georgia, which are pasted on the documents by these station agents, and the documents are then dispatched over some line to destination.

Why this is done I do not presume to say, but submit the facts for your consideration. I think the matter has been reported to C. W. Vickery, superintendent Railway Mail Service, third division.

I do not care to have my name mentioned in this connection.

Very respectfully, yours,

THOS. R. ROBERTSON, *Postmaster.*MURFREESBORO, N. C., *March 25, 1896.*SUPERINTENDENT THIRD DIVISION RAILWAY MAIL SERVICE,
Washington, D. C.

SIR: The railroad agent at this place has received 3 sacks of public documents and labels under the frank of John B. Gordon, United States Senator, with instructions to place the labels (which are addressed) on the books and remail them. The sacks do not bear the slip of any post-office. Please advise me if I shall accept them for remailing.

Very respectfully,

WM. B. SPENCER, *Postmaster.*RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT THIRD DIVISION,
Washington, D. C., March 27, 1896.

Respectfully referred to Hon. James E. White, General Superintendent, for his information in connection with other papers relative to this matter previously referred.

Will you kindly furnish the information desired by the postmaster at Murfreesboro?

CHAS. W. VICKERY, *Superintendent.*LAURINBURG, N. C., *March 24, 1896.*Mr. G. R. SCHULTZ,
Chief Clerk Third Division Railway Mail Service, Washington, D. C.

DEAR SIR: Believing it to be my duty as a faithful officer in the postal service to use every effort in my power to protect the service from abuses, even though they be carried on under cover of law, I confidentially submit the following:

The railroad agent at this place sent to my office yesterday a canvas mail bag about half full of public documents addressed to postmasters at different offices in Georgia. To-day a second bag came from same source, containing 16 Agricultural Reports for the year 1893, and weighing 40 pounds. The packages were addressed as above. Upon inquiry, I am informed that the railroad agent has received 2 large canvas bags of such documents, with instructions to remail them at this office.

The documents bear the franking card of Hon. J. B. Gordon, United States Senator. Doubtless they are sent to the railroad agent under a clause of section 365, Postal Laws and Regulations, relating to "bulk packages of franked articles." The question arises, Why this irregular mode of sending this matter?

While I prefer no charge of violation, the nature and weight of matter, in connection with the fact that all mail matter is now being weighed for the purpose of arriving at the amount the railroad company is to receive for carrying the mail for the next four years, the circumstance appears to me as worthy of investigation, especially if same is being done at other places, of which, however, I have no knowledge.

I therefore, as stated, submit the above to you for such action as you may deem necessary, requesting that you will be careful of the friendly relations which exist between the railroad officials (and especially the agent here) and myself.

Very truly, yours,

D. D. MCINTYRE, *Postmaster.*

RAILWAY MAIL SERVICE, OFFICE OF CHIEF CLERK,
Washington, D. C., April 1, 1896.

Respectfully referred to superintendent Railway Mail Service, third division, Washington, D. C., for his information.

G. R. SHULTZ, *Chief Clerk.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 2, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., in connection with similar reports previously forwarded concerning the handling of document mail on Seaboard Air Line during the weighing of mails.

CHAS. W. VICKERY, *Superintendent.*

RICH SQUARE, N. C., *March 23, 1896.*

Mr. C. W. VICKERY.

DEAR SIR: There are a quantity of Agricultural Reports sent to W. E. Clifton, a private citizen of our town, for free distribution. Our mail being weighed on the railroad, think perhaps these books were sent out to increase weight. Shall I send them along, or advise me in the matter.

Very respectfully,

R. T. WEAVER, *Postmaster.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 25, 1896.

Respectfully referred to Hon. James E. White, General Superintendent, for the information of the Department, and for the information desired by the postmaster at Rich Square, N. C.

CHAS. W. VICKERY, *Superintendent.*

POST-OFFICE, *Boykins, Va., March 23, 1896.*

Hon. C. W. VICKERY,

Superintendent Railway Mail Service, Third Division.

SIR: Railroad agents along the line of the Seaboard and Roanoke and the Roanoke and Tar River railroads are receiving large sacks of public documents, I suppose weighing not less than 100 pounds each, franked by J. B. Gordon, esq. The agents along the lines are remailing them to different parties to increase the weight of mail matter during the month of March, as this is the weighing period for this section. Is it lawful for postmaster to receive such matter and dispatch it through the mails free?

An early reply will oblige,

Yours, respectfully,

H. L. HILL, *Postmaster.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., March 24, 1896.

Respectfully referred to Hon. James E. White, General Superintendent, for the information of the Department.

CHAS. W. VICKERY, *Superintendent.*

GREENWOOD, S. C., May 9, 1896.

Mr. H. T. GREGORY,
Post-Office Inspector, Greensboro, N. C.

DEAR SIR: I have misplaced the letter and can not lay my hand on it. Mr. J. M. Baker, from South Carolina, who has a position in the Senate library, Washington, D. C., wrote the letter, he said, at the request of Senator Gordon.

He (Baker) said Senator Gordon turned him over my letter to answer, and he requested the return of all the packages and the slips from the labels, etc., which we did at once. Mr. Baker will give you all the information. A letter addressed to him, James M. Baker, Senate library, or, should you be in Washington, he will give you all the details. I know he and General Gordon to be quite friends. I wrote to General Gordon and Baker replied, and I know the General must have turned over my letter to Baker or he would not have known anything about it. I am sorry I have misplaced Baker's letter, but if you drop him a line he will answer.

Yours, respectfully,

L. M. MOORE, *Postmaster.*

NORFOLK POST-OFFICE, OFFICE OF THE POSTMASTER,
Norfolk, Va., May 3, 1896.

H. T. GREGORY, Esq.,
Post-Office Inspector, Washington, D. C.

DEAR SIR: Since your departure from Greensboro we have received at this office via Seaboard Air Line for Norfolk people, copies of the Atlanta (Ga.) Constitution, as follows:

Date of receipt.	Weight.	Date of issue.	Date of receipt.	Weight.	Date of issue.
	<i>Pounds.</i>			<i>Pounds.</i>	
April 23.....	222	April 19	April 29.....	387	April 26
April 26.....	226	Do.	April 30.....	55	Do.
April 27.....	292	April 26	May 1.....	430	Do.
Do.....	647	April 19	May 2.....	298	Do.

Very respectfully,

W. W. DEGGE, *Postmaster*

Memorandum kept by postmasters at Norfolk, Va., and Portsmouth, Va., during a portion of the mail weighing. Atlanta Constitutions and Journals received at Norfolk and Portsmouth, Va. Portsmouth figures mostly estimated.

UNITED STATES POST-OFFICE, PORTSMOUTH, VA.

Statement of postmaster as to receipt of Atlanta (Ga.) Constitutions and Journals.
Weights averaged by being weighed on small scales, hence not absolutely accurate.

	<i>Pounds.</i>
April 10.....	150
April 11.....	900
April 12.....	628
April 14.....	100
April 15.....	100

Record not kept between April 15 and 23, 1896.

Date.	Sacks.	Bundles.	Pounds.	Name of paper.
Apr. 23, a. m.....	3	8	216	Constitution.
Apr. 24, a. m.....	42	12	324	Do.
Apr. 24, p. m.....	3	9	245	Do.
Apr. 25, a. m.....	3½	10	270	Do.
Apr. 25, p. m.....	4	12	324	Do.
Apr. 26, a. m.....	1	2	54	Do.
Apr. 28, p. m.....	1	2	50	Journal.
Apr. 30, p. m.....	1	1	30	Do.
May 1, a. m.....	2	6	162	Do.
May 2, p. m.....	1	2	36	Do.

These weights were gotten, as you are aware, with the scales you used while at this office, which was a little difficult, but hope you will make out with them.

Respectfully,

R. L. HERBERT, *Postmaster.*

NORFOLK POST-OFFICE, OFFICE OF THE POSTMASTER,
Norfolk, Va., April 22, 1896.

H. T. GREGORY, Esq.,
Post-Office Inspector, Greensboro, N. C.

DEAR SIR: Received to-day, via Seaboard Air Line, 217 pounds Atlanta Constitution, issued Sunday, 19th. All addressed to Norfolk people.

Very respectfully,

W. W. DEGGE, *Postmaster.*

NORFOLK POST-OFFICE, OFFICE OF THE POSTMASTER,
Norfolk, Va., April 21, 1896.

H. T. GREGORY, Esq.,
Post-Office Inspector, Greensboro, N. C.

DEAR SIR: Received to-day, via Seaboard Air Line, 238 pounds Atlanta (Ga.) Constitution, issued Sunday, April 19.

Very respectfully,

W. W. DEGGE, *Postmaster.*

Large quantities of Atlanta Journal have been coming in for the past two weeks. Do you want a record kept of that paper also?

NORFOLK POST-OFFICE, OFFICE OF THE POSTMASTER,
Norfolk, Va., April 20, 1896.

H. T. GREGORY, Esq.,
Post-Office Inspector, Greensboro, N. C.

DEAR SIR: This office received, via Seaboard Air Line, copies of Atlanta (Ga.) Constitution, as follows: April 18, 102 pounds, issue of April 12; April 20, 267 pounds, issue of April 19. All for this city, in packages, and directed to Norfolk people (not the packages, but the individual papers).

Very respectfully,

W. W. DEGGE, *Postmaster.*

These papers are not marked "sample copy," although many addressees inform us they do not subscribe for them.

NORFOLK POST-OFFICE, OFFICE OF THE POSTMASTER,
Norfolk, Va., April 18, 1896.

H. T. GREGORY, Esq.,
Post-Office Inspector, Greensboro, N. C.

DEAR SIR: Received, 17th, 101 pounds, and to-day 114 pounds, of Atlanta (Ga.) Constitution, in packages, the papers inclosed being directed to residents of this city. Papers received on the 17th were dated April 5, and those received to-day, April 12. It is impossible for us to furnish you the names of the addressees, as we are hardly able to distribute and deliver them.

Very respectfully,

W. W. DEGGE, *Postmaster.*

NORFOLK POST-OFFICE, OFFICE OF THE POSTMASTER,
Norfolk, Va., April 16, 1896.

Hon. C. W. VICKERY,
Superintendent Third Division, Railway Mail Service, Washington, D. C.

SIR: I have to report that this office is being daily flooded with large quantities of sample copies of the Sunday edition of the Atlanta (Ga.) Constitution. These papers are sent without conforming to the requirements of paragraph 2, section 290, of the postal laws, neither the papers or wrappers on packages having anything on them to indicate that they are sample copies, and it is only through statements of their addresses that we have been able to ascertain their nature.

Very respectfully,

W. W. DEGGE, *Postmaster.*

RAILWAY MAIL SERVICE,
OFFICE SUPERINTENDENT OF THIRD DIVISION,
Washington, D. C., April 17, 1896.

Respectfully referred to Hon. James E. White, General Superintendent Railway Mail Service, Washington, D. C., for his information in connection with the weighing of mails on the Seaboard Air Line.

The postmaster at Norfolk, Va., states that his office is being daily flooded with Atlanta (Ga.) papers, which he thinks are not being mailed in conformity with the Postal Laws and Regulations.

CHAS. W. VICKERY, *Superintendent.*

ATLANTA POST-OFFICE, OFFICE OF THE POSTMASTER,
Atlanta, Ga., May 9, 1896.

Mr. H. T. GREGORY,
Post-Office Inspector, Washington, D. C.

DEAR SIR: Received this a. m., via Seaboard Air Line Railroad, 6 sacks of papers, with inclosed labels. Two of these labels were misplaced. I weighed 5 sacks, 245 pounds, which would make about 300 pounds for the 6 sacks. This is the first lot of these papers received since your visit here. The Constitution and Journal, of this place, continue to send their papers to Norfolk and Portsmouth, Va., daily, in lots of about the same weights as reported to you.

Very truly,

AMOS FOX, *Postmaster.*

(Four facing slips for Atlanta, Ga., postmarked Portsmouth, Va., May 8, 1896, 6 a. m., attached.)

RALEIGH, N. C., *June 1, 1896.*

Respectfully referred to T. M. Arrington, post-office inspector in charge, Washington, D. C.

A letter from postmaster at Atlanta, Ga. (Superintendent of Mails W. Rhodes), concerning the padding of mails on the Seaboard Air Line Railroad, which case has been closed.

Very respectfully,

H. T. GREGORY, *Post-Office Inspector.*

CONSOLIDATED STATEMENTS OF WEIGHTS FOR ROUTES 118038 AND 121071.

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., May 20, 1896.

Hon. JAMES E. WHITE,
General Superintendent Railway Mail Service, Washington, D. C.

SIR: Inclosed I forward consolidated statement of the weights of mails carried on Route No. 118038 between Monroe and Clinton, and Route No. 121071 between Clinton and Atlanta, for thirty-five days from February 26.

I also inclose consolidated statements of the weights carried on the same line for thirty-five days from April 1.

Respectfully,

L. M. TERRELL, *Superintendent.*

RAILWAY MAIL SERVICE,
OFFICE OF SUPERINTENDENT FOURTH DIVISION,
Atlanta, Ga., May 20, 1896.

Hon. JAMES E. WHITE,
General Superintendent Railway Mail Service, Washington, D. C.

SIR: In forwarding the consolidated statement of weights of mails carried over the Seaboard Air Line during the weighing of mails for thirty-five days from February 26, and also for thirty-five days from April 1, last, I beg to call attention to a summary of weights carried from Monroe to Atlanta, and vice versa, during each of the weighings.

During the March weighing the record shows that leaving Monroe the trains carried 49,758 pounds, arriving in Atlanta with 53,762 pounds—average southbound weights, 51,760 pounds. During the April weighing train left Monroe with 41,952

pounds, arrived at Atlanta with 41,568 pounds—average for southbound train, 41,760 pounds—showing a decrease of 10,000 pounds as compared with the March weighing.

Northbound trains, March weighing, shows that trains carried out of Atlanta 99,377 pounds and arrived in Monroe with 39,050 pounds, averaging 69,213 pounds. April weighing, northbound trains left Atlanta with 85,299 pounds, arrived at Monroe with 57,217 pounds—averaging 71,258 pounds—showing an increase of 2,045 pounds, as compared with northbound weights for March.

You will notice that on northbound trains for April arriving at Monroe there was an increase of 18,000 pounds as compared with March weighing, notwithstanding there was diverted from the line during the April weighing an estimated daily average of 500 pounds of mail, which would make a total of 17,500 pounds diverted during the weighing. This increase in weights of northbound mails I attribute as due to 300 pounds of Atlanta Sunday Constitution and the large shipments of Saturday issues of the Atlanta Evening Journal which were made and for a time forwarded daily, from Atlanta by northbound train, as shown by frequent reports from this office.

From what I am able to learn it is evident that it was the intention of the railroad company to increase the weight of mails during the last weighing, so as to very nearly equal the weights taken during the first weighing. In this, however, they seem to have failed, as there was a net loss of 7,955 pounds in through mails.

Permit me to express the opinion that these two weighings on the Seaboard Air Line show that the weights of mails are no longer to be relied on as a fair basis of pay for mail transportation.

During the recent weighing of mails, we noticed passing through the mails under frank public documents issued ten years ago.

Very respectfully,

L. M. TERRELL, *Superintendent.*

POST-OFFICE DEPARTMENT,
OFFICE OF SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 24, 1896.

SIR: You are authorized to take the weight of mails carried per day, outward and inward, for a period of thirty successive working days, commencing February 26, 1896, on Route No. 121071, between Clinton, S. C., and Atlanta, Ga., operated by the Georgia, Carolina and Northern Railway Company, and to make return thereof, with other facts concerning the service, in the form below.

You will take every precaution to prevent any diversion of the mails from their usual channels during said weighing, in order that only the proper average daily weight may be accredited to the above route.

Very respectfully,

G. F. STONE,
Acting Second Assistant Postmaster-General.

The GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE.

Weight of all the mails conveyed, outward and inward, to and from each station on Route No. 121071, between Clinton, S. C., and Atlanta, Ga., for thirty successive working days commencing on the 26th day of February, 1896.

Station.	Outward.		Inward.	
	Put off of train.	Put on train.	Put off of train.	Put on train.
	Pounds.	Pounds.	Pounds.	Pounds.
Clinton, S. C.		57,861	63,188	
Mountville, S. C.	373	1,195	1,392	239
Cross Hill, S. C.	425	1,575	1,875	253
Saluca, S. C.	247	13	27	172
Greenwood, S. C.	1,709	7,374	7,944	3,194
Iuka, S. C.	349	140	238	127
Abbeville, S. C.	7,818	6,418	8,959	7,568
Watts, S. C.	1,529	752	669	395
Calhoun Falls, S. C.	512	302	2,570	880
Heardmont, Ga.	466	237	500	231
Middleton, Ga.	464	254	693	300
Elberton, Ga.	2,742	846	7,926	2,847
Oglesby, Ga.	318	221	927	469
Carlton, Ga.	596	389	1,398	545
Comer, Ga.	616	603	1,792	284
Five Forks, Ga.	244	343	1,120	207

Weight of all the mails conveyed, outward and inward, to and from each station on Route No. 121071, between Clinton, S. C., and Atlanta, Ga., etc.—Continued.

Station.	Outward.		Inward.	
	Put off of train.	Put on train.	Put off of train.	Put on train.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
Dowdy, Ga.....	312	198	486	400
Athens, Ga.....	4,748	2,609	15,552	5,104
Bogart, Ga.....	614	287	623	316
Statham, Ga.....	687	559	673	588
Winder, Ga.....	3,206	595	939	1,899
Carl, Ga.....	352	297	639	230
Auburn, Ga.....	809	421	869	270
Dacula, Ga.....	394	272	741	490
Lawrenceville, Ga.....	568	937	3,292	898
Gloster, Ga.....	690	319	1,106	490
Luxomni, Ga.....	221	202	285	215
Lilburn, Ga.....	319	366	788	191
Braden, Ga.....	200	183	220	174
Tucker, Ga.....	735	235	683	354
Montreal, Ga.....	230	230	618	254
North Decatur, Ga.....	223	251	357	242
Wallace, Ga.....	209	203	332	218
Atlanta, Ga.....	53,762	.....	.....	99,377
Total.....	86,687	86,687	129,421	129,421

STATEMENT OF SERVICE.

This statement must show the number of trips performed over entire route per week, both outward and inward; also the number of trips performed per week over any portion of the route, both outward and inward.

The average rate of speed with which mails are carried is 28.8 miles per hour.

Mail apartment service in charge of Post-Office Department employees.—The inside dimensions of mail apartment cars are 12 feet long by 6 feet 8 inches wide, and are furnished with fixtures and furniture as required, in which mails are carried fourteen times per week outward and fourteen times per week inward over entire route.

Service in charge of railway company employees.—Mails are carried seven times per week outward and seven times per week inward over entire route.

Certification on behalf of the Department.—I hereby certify that the foregoing statement of the weight of mails is correct according to daily returns made by sworn employees of the Department, and the statement of service is correct to the best of my knowledge and belief.

L. M. TERRELL,
Superintendent Railway Mail Service, Fourth Division.

ATLANTA, GA., May 20, 1896.

POST-OFFICE DEPARTMENT,
OFFICE OF SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 31, 1896.

SIR: You are authorized to take the weight of mails carried per day, outward and inward, for a period of thirty successive working days, commencing April 1, 1896, on Route No. 121071, between Clinton, S. C., and Atlanta, Ga., operated by the Georgia, Carolina and Northern Railway Company, and to make return thereof, with other facts concerning the service, in the form below.

You will take every precaution to prevent any diversion of the mails from their usual channels during said weighing in order that only the proper average daily weight may be accredited to the above route.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

The GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE.

Weight of all the mails conveyed, outward and inward, to and from each station on Route No. 121071, between Clinton, S. C., and Atlanta, Ga., for thirty successive working days, commencing on the 1st day of April, 1896.

Station.	Outward.		Inward.	
	Put off of train.	Put on train.	Put off of train.	Put on train.
	Pounds.	Pounds.	Pounds.	Pounds.
Clinton, S. C.....	.....	49,423	68,433	.....
Mountville, S. C.....	427	275	286	233
Crosshill, S. C.....	526	237	347	245
Saluca, S. C.....	117	202	207	12
Greenwood, S. C.....	763	4,266	3,329	1,416
Iuka, S. C.....	650	228	214	202
Abbeville, S. C.....	6,904	4,597	6,575	5,437
Watts, S. C.....	615	459	507	348
Calhoun Falls, S. C.....	853	1,030	1,810	411
Heardmont, Ga.....	323	239	365	215
Middleton, Ga.....	434	559	345	220
Elberton, Ga.....	5,104	728	6,981	4,725
Ogelsby, Ga.....	218	232	527	173
Carlton, Ga.....	337	1,000	1,559	238
Comer, Ga.....	383	511	1,175	250
Fiveforks, Ga.....	249	215	537	204
Dowdy, Ga.....	201	198	256	198
Athens, Ga.....	4,434	1,571	8,115	5,014
Bogart, Ga.....	317	241	851	260
Statham, Ga.....	766	404	632	944
Winder, Ga.....	2,037	640	770	1,331
Carl, Ga.....	314	279	475	228
Auburn, Ga.....	445	307	768	260
Dacula, Ga.....	249	251	399	219
Lawrenceville, Ga.....	727	970	2,530	1,055
Gloster, Ga.....	307	258	517	226
Luxomni, Ga.....	236	219	245	191
Lilburn, Ga.....	262	249	497	182
Braden, Ga.....	187	182	212	160
Tucker, Ga.....	282	242	414	217
Montreal, Ga.....	238	255	292	178
North Decatur, Ga.....	223	238	268	207
Wallace, Ga.....	224	215	267	207
Atlanta, Ga.....	41,568	.....	.....	85,299
Total.....	70,920	70,920	110,705	110,705

STATEMENT OF SERVICE.

This statement must show the number of trips performed over entire route, per week, both outward and inward. Also the number of trips performed per week over any portion of the route, both outward and inward.

The average rate of speed with which mails are carried is 29.3 miles per hour.

Mail apartment service in charge of Post-Office Department employees.—The inside dimensions of mail apartment cars are 12 feet long by 6 feet 8 inches wide, and are furnished with fixtures and furniture as required, in which mails are carried 14 times per week outward, and 14 times per week inward over entire route.

Certification on behalf of the Department.—I hereby certify that the foregoing statement of the weight of mails is correct according to daily returns made by sworn employees of the Department, and the statement of service is correct to the best of my knowledge and belief.

L. M. TERRELL,

Superintendent Railway Mail Service, Fourth Division.

ATLANTA, GA., May 20, 1896.

POST-OFFICE DEPARTMENT,
OFFICE OF SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 31, 1896.

SIR: You are authorized to take the weight of mails carried per day, outward and inward, for a period of thirty successive working days, commencing April 1, 1896, on Route No. 118038, between Monroe, N. C., and Clinton, S. C., operated by the Georgia, Carolina and Northern Railway Company, and to make return thereof, with other facts concerning the service, in the form below.

You will take every precaution to prevent any diversion of the mails from their usual channels during said weighing, in order that only the proper average daily weight may be accredited to the above route.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

The GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE.

Weight of all the mails conveyed, outward and inward, to and from each station on Route No. 118038, between Monroe, N. C., and Clinton, S. C., for thirty successive working days, commencing on the 1st day of April, 1896.

Station.	Outward.		Inward.	
	Put off of train.	Put on train.	Put off of train.	Put on train.
	Pounds.	Pounds.	Pounds.	Pounds.
Monroe, N. C		41,952	57,217	
Potters, N. C	501	242	261	250
Waxhaw, N. C	307	462	811	241
Osceola, S. C	205	165	222	203
Vanwyck, S. C	230	194	261	176
Catawba, S. C	320	221	257	239
Harmony, S. C	245	187	235	190
Edgemoor, S. C	319	194	288	202
Hicklin, S. C	191	173	177	180
Rodman, S. C	229	212	263	172
Chester, S. C	1,169	7,700	6,855	2,088
Leeds, S. C	255	189	218	191
Carlisle, S. C	1,370	551	578	542
Delta, S. C	199	173	205	211
Whitmire, S. C	310	435	547	194
Renno, S. C	221	189	229	200
Clinton, S. C	47,168			63,345
Total	53,239	53,239	68,624	68,624

STATEMENT OF SERVICE.

This statement must show the number of trips performed over entire route, per week, both outward and inward. Also the number of trips performed per week over any portion of the route, both outward and inward.

The average rate of speed with which mails are carried is 35 miles per hour.

Mail apartment service in charge of Post-Office Department employees.—The inside dimensions of mail apartment cars are 12 feet long by 6 feet 8 inches wide, and are furnished with fixtures and furniture as required, in which mails are carried fourteen times per week outward and fourteen times per week inward over entire route.

Certification on behalf of the Department.—I hereby certify that the foregoing statement of the weight of mails is correct according to daily returns made by sworn employees of the Department, and the statement of service is correct to the best of my knowledge and belief.

L. M. TERRELL,
Superintendent Railway Mail Service, Fourth Division.

ATLANTA, GA., May 2, 1896.

POST-OFFICE DEPARTMENT,
OFFICE OF SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 23, 1896.

SIR: You are authorized to take the weight of mails carried per day, outward and inward, for a period of thirty successive working days, commencing February 26, 1896, on route No. 118038, between Monroe, N. C., and Clinton, S. C., operated by the Georgia, Carolina and Northern Railway Company, and to make return thereof, with other facts concerning the service, in the form below.

You will take every precaution to prevent any diversion of the mails from their usual channels during said weighing, in order that only the proper average daily weight may be accredited to the above route.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

The GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE.

Weight of all the mails conveyed, outward and inward, to and from each station on route No. 118038, between Monroe, N. C., and Clinton, S. C., for thirty successive working days, commencing on the 26th day of February, 1896.

Station.	Outward.		Inward.	
	Put off of train.	Put on train.	Put off of train.	Put on train.
	Pounds.	Pounds.	Pounds.	Pounds.
Monroe, N. C		49,758	39,050	.....
Potters, N. C	538	226	295	258
Waxhaw, N. C	382	419	981	371
Osceola, S. C	229	191	224	183
Van Wyck, S. C	249	180	258	196
Catawba, S. C	514	205	284	280
Harmony, S. C	241	211	240	194
Edgemoor, S. C	409	203	294	223
Hicklin, S. C	200	188	196	184
Rodman, S. C	261	212	271	176
Chester, S. C	1,344	3,982	7,022	2,534
Leeds, S. C	275	193	213	194
Carlisle, S. C	1,166	545	715	415
Delta, S. C	212	179	192	184
Whitmires, S. C	229	572	1,141	200
Renno, S. C	242	191	251	179
Clinton, S. C	50,964	.....	.....	45,856
Total	57,455	57,455	51,627	51,627

STATEMENT OF SERVICE.

This statement must show the number of trips performed over entire route, per week, both outward and inward. Also the number of trips performed per week over any portion of the route, both outward and inward.

The average rate of speed with which mails are carried is 35 miles per hour.

Mail-apartment service in charge of Post-Office Department employees.—The inside dimensions of mail-apartment cars are 12 feet long by 6 feet 8 inches wide, and are furnished with fixtures and furniture as required, in which mails are carried fourteen times per week outward and fourteen times per week inward over entire route.

Certification on behalf of the Department.—I hereby certify that the foregoing statement of the weight of mails is correct according to daily returns made by sworn employees of the Department, and the statement of service is correct to the best of my knowledge and belief.

L. M. TERRELL,
Superintendent Railway Mail Service, Fourth Division.

ATLANTA, GA., May 20, 1896.

DEPARTMENT CORRESPONDENCE WITH ATTORNEY-GENERAL,
THE ATTORNEYS FOR THE RAILROAD COMPANY, AND OTHERS.

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1896.

SIR: Your telegram of the 8th instant, requesting that a copy of regulations in regard to weighing mails on your line be sent to you, has been received.

In compliance with your request there is sent to you Circular No. 2501, laws respecting pay for the transportation of mails on railroad routes (see section 4002), Circular No. 2502, schedule of rates for railway mail transportation, and Circular No. 2503, for the information of the proprietors of railroads.

Very respectfully,

G. F. STONE,
Acting Second Assistant Postmaster-General.

Mr. JOHN H. WINDER,
General Manager Seaboard Air Line, Portsmouth, Va.

POST-OFFICE DEPARTMENT,
OFFICE FIRST ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 11, 1896.

Hon. MARION BUTLER,
United States Senate.

DEAR SIR: In compliance with your request, I have the honor to advise you that section 366, page 157, Postal Laws and Regulations, expressly provides that "a bulk package of franked articles may be sent to one addressee, who, on receiving and opening the package, may place addresses on the franked articles and remail them for carriage and delivery to the respective addresses."

Should any postmaster refuse to accept speeches in properly franked envelopes offered to them for mailing, I will issue the necessary instructions if you will call my attention to the matter.

Very respectfully,

F. H. JONES,
First Assistant Postmaster-General.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., March 17, 1896.

SIR: Your telegram of the 13th instant to General Superintendent White relative to continuing the weighing on your lines for an additional ten days has been referred to this office.

In reply you are informed that it is the uniform rule of the Department to weigh the mails on railroad mail routes in a State or section at the same time and for only thirty successive working days, as required by law.

This being the case the Department could not do as you request without throwing itself open to the charge of doing for your company that which it is frequently compelled to refuse to do for other companies. This it must decline to do.

The reports of the weighings, so far as received, indicate that it is progressing satisfactorily, and that the results are likely to be as favorable to the railroad companies as can be reasonably expected.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Seaboard Air Line Railroad Company, Portsmouth, Va.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., April 16, 1896.

Hon. R. A. MAXWELL,
Fourth Assistant Postmaster-General.

SIR: Referring to the recent weighing of the mails on the routes of the Seaboard Air Line system, and the investigation by Inspector Gregory of the irregularities which occurred during said weighing, I have to state that the irregularities were so gross that this office deemed it advisable to authorize a new weighing for thirty successive working days, from April 1, 1896.

Reports have reached this office from time to time, since April 1, 1896, which tend to show that matter is still being sent over the lines of this company for the purpose of unfairly increasing the weights and the compensation of the company for mail service for the next four years. These reports have been handed to the chief inspector, and two reports from Superintendent Vickery relative to the same matter, dated April 15, 1896, are forwarded herewith.

I have to request that the investigation by the inspector be continued, and such evidence secured as will enable the Department to decide relative to the fairness of the weighing, and in case unfairness is shown, to enable it to prosecute the offenders.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

P. S.—Please have the inspector note carefully the shipment of the Atlanta Constitution, and the number of pieces and weight of such matter sent through to the northern terminus, and inform us to what points and to whom they go.

OFFICE OF THE POSTMASTER-GENERAL,
Washington, D. C., May 25, 1896.

The ATTORNEY-GENERAL.

SIR: I have the honor to transmit, herewith, certain papers, to wit, successive reports of Post-Office Inspector Gregory as to what seems a very clear and flagitious case of attempted padding of the mails by certain officials of the Seaboard Air Line Railroad during the recent weighing of the mails on that road by this Department in the months of March and April. A concise statement of the facts ascertained by Inspector Gregory, and appearing from the exhibits filed by him, accompanies this letter.

I have the honor to request that such proceedings be taken by the Department of Justice that may lead to the indictment and, if possible, conviction of the parties to this scheme.

Very respectfully,

WM. L. WILSON, *Postmaster-General*.

(Copy of the statement herein alluded to will be found immediately following Inspector Arrington's letter of April 18, 1896, among papers classed as "Reports continued," page 27.)

POST-OFFICE DEPARTMENT,
OFFICE OF THE POSTMASTER-GENERAL,
Washington, D. C., May 28, 1896.

Hon. L. F. LIVINGSTON, *Atlanta, Ga.*

SIR: Replying to yours of the 25th I have the honor to state that so far as any representations made to this Department disclose, your frank was not used in the attempted padding of the mails by the Seaboard Air Line Railroad, nor is the Department in the possession of any information tending to show that the use of the frank of any member or Senator was with his knowledge or consent.

Very respectfully,

WM. L. WILSON, *Postmaster-General*.

DEPARTMENT OF JUSTICE,
Washington, D. C., June 13, 1896.

The POSTMASTER-GENERAL.

SIR: I have the honor to inclose herewith a communication from the United States attorney for the eastern district of Virginia, asking for certain papers in connection with the proposed prosecution of the officials of the Seaboard Air Line, and request that the papers be sent him.

Very respectfully,

JUDSON HARMON, *Attorney-General*.

DEPARTMENT OF JUSTICE,
Eastern District of Virginia, June 12, 1896.

The ATTORNEY-GENERAL, *Washington, D. C.*

SIR: Referring to your letter of the 8th instant (E. B. W.-2826-1896), relating to the alleged padding of the mails by the officials of the Seaboard Air Line, I have the honor to request that I may be furnished, as soon as possible, with copies of all correspondence between the Post-Office Department and the Seaboard Air Line, giving notice of the recent weighing period or relating thereto. It will also be useful to me to have a blank form of the usual contract which was, or was to have been, executed with the railroad company, based upon the weights of mail ascertained during the weighing period.

An early response will facilitate investigation of the criminal charge now pending in this matter.

Very respectfully,

FRANCIS R. LASSITER,
United States Attorney.

DEPARTMENT OF JUSTICE,
Eastern District of Virginia, June 18, 1896.

The POSTMASTER-GENERAL, *Washington, D. C.*

SIR: I beg to acknowledge your letter of the 17th instant, with inclosures, as stated.

I shall be glad if you will send me Circular No. 2501, Laws respecting pay for the transportation of mails on railroad routes; Circular No. 2502, Schedule of rates for

railway mail transportation, and Circular No. 2503, For the information of the proprietors of railroads.

Very respectfully,

FRANCIS R. LASSITER,
United States Attorney.

[No. 2501.]

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
RAILWAY ADJUSTMENT DIVISION.

[Circular.]

LAWS RELATIVE TO PAY FOR THE TRANSPORTATION OF MAILS ON RAILROAD ROUTES.

[For the information of parties concerned, the sections and paragraphs hereto appended are transcribed from the Revised Statutes and from acts of Congress making appropriations for the service of the Post-Office Department.]

The Postmaster General shall, in all cases, decide upon what trains and in what manner the mails shall be conveyed.—*Act of March 3, 1879, § 3, 20 Stats., 358.*

SEC. 3999. If the Postmaster General is unable to contract for carrying the mail on any railway route at a compensation not exceeding the maximum rates herein provided, or for what he may deem a reasonable and fair compensation, he may separate the letter mail from the other mail, and contract, either with or without advertising, for carrying such letter mail by horse express or otherwise, at the greatest speed that can reasonably be obtained, and for carrying the other mail in wagons or otherwise, at a slower rate of speed.

SEC. 4000. Every railway company carrying the mail shall carry on any train which may run over its road, and without extra charge therefor, all mailable matter directed to be carried thereon, with the person in charge of the same.—*Act of March 3, 1873.*

SEC. 4002. The Postmaster General is authorized and directed to readjust the compensation hereafter to be paid for the transportation of mails on railroad routes upon the conditions and at the rates hereinafter mentioned:

First. That the mails shall be conveyed with due frequency and speed; and that sufficient and suitable room, fixtures and furniture, in a car or apartment properly lighted and warmed, shall be provided for route agents to accompany and distribute the mails.

Second. That the pay per mile per annum shall not exceed the following rates, namely: On routes carrying their whole length an average weight of mails per day of two hundred pounds, fifty dollars; five hundred pounds, seventy-five dollars; one thousand pounds, one hundred dollars; one thousand five hundred pounds, one hundred and twenty-five dollars; two thousand pounds, one hundred and fifty dollars; three thousand five hundred pounds, one hundred and seventy-five dollars; five thousand pounds, two hundred dollars, and twenty-five dollars additional for every additional two thousand pounds; the average weight to be ascertained, in every case, by the actual weighing of the mails for such a number of successive working days, not less than thirty, at such times after June thirtieth, eighteen hundred and seventy-three, and not less frequently than once in every four years, and the result to be stated and verified in such form and manner as the Postmaster General may direct.—*Act of March 3, 1873.*

Additional pay for railway post-office cars.

SEC. 4003. In case any railroad company now furnishing railway post-office cars shall refuse to provide such cars, such company shall not be entitled to any increase of compensation under the provisions of the next section.

SEC. 4004. Additional pay may be allowed for every line comprising a daily trip each way of railway post-office cars, at a rate not exceeding twenty-five dollars per mile per annum for cars forty feet in length; and thirty dollars per mile per annum for forty-five-foot cars; and forty dollars per mile per annum for fifty-foot cars; and fifty dollars per annum for fifty-five to sixty foot cars.

[NOTE.—This statute does not authorize a pro rata compensation to be paid for cars which are less than forty feet in length.]

And hereafter when any railroad company fail or refuse to provide railway post-office cars when required by the Post-Office Department, or shall fail or refuse to provide suitable safety heaters and safety lamps therefor, with such number of saws and axes to each car, for use in case of accident, as may be required by the Post-Office Department, said company shall have its pay reduced ten per centum on the

rates fixed in section four thousand and two of the Revised Statutes, as amended by act of July twelfth, eighteen hundred and seventy-six, entitled "An act making appropriations for the service of the Post-Office Department for the fiscal year ending June thirtieth, eighteen hundred and seventy-seven, and for other purposes," and as further amended by the act of June seventeenth, eighteen hundred and seventy-eight, entitled "An act making appropriations for the service of the Post-Office Department for the fiscal year ending June thirtieth, eighteen hundred and seventy-nine, and for other purposes."—*Act of March 1, 1881, 21 Stats., 375.*

That all cars or parts of cars used for the Railway Mail Service shall be of such style, length, and character, and furnished in such manner, as shall be required by the Postmaster-General, and shall be constructed, fitted up, maintained, heated, and lighted by and at the expense of the railroad companies.—*Act of March 3, 1879, § 4, 20 Stats., 358.*

Mails to be weighed by agents of the Department.

* * * And out of the appropriation for inland mail transportation the Postmaster-General is authorized hereafter to pay the expenses of taking the weights of mails on railroad routes, as provided by the act entitled "An act making appropriations for the service of the Post-Office Department for the year ending June thirtieth, eighteen hundred and seventy-four," approved March third, eighteen hundred and seventy-three; and he is hereby directed to have the mails weighed as often as now provided by law by the employes of the Post-Office Department, and have the weights stated and verified to him by said employes under such instructions as he may consider just to the Post-Office Department and the railroad companies.—*Act of March 3, 1875.*

Reduction of ten per centum.

* * * *Provided*, That the Postmaster-General be, and he is hereby, authorized and directed to readjust the compensation to be paid from and after the first day of July, eighteen hundred and seventy-six, for transportation of mails on railroad routes by reducing the compensation of all railroad companies for the transportation of mails ten per centum per annum from the rates fixed and allowed by the first section of an act entitled "An act making appropriations for the service of the Post-Office Department for the fiscal year ending June thirtieth, eighteen hundred and seventy-four, and for other purposes," approved March third, eighteen hundred and seventy-three, for the transportation of mails on the basis of the average weight. * * *—*Act of July 12, 1876, sec. 1.*

Additional reduction of five per centum.

And provided further, That the Postmaster-General be, and he is hereby, authorized and directed to readjust the compensation to be paid from and after the first day of July, eighteen hundred and seventy-eight, for transportation of mails on railroad routes by reducing the compensation to all railroad companies for the transportation of mails five per centum per annum from the rates for the transportation of mails on the basis of the average weight fixed and allowed by the first section of an act entitled "An act making appropriations for the service of the Post-Office Department for the fiscal year ending June thirtieth, eighteen hundred and seventy-seven, and for other purposes," approved July twelfth, eighteen hundred and seventy-six.—*Act of June 17, 1878.*

Allowance on land-grant roads.

SEC. 4001. All railway companies to which the United States have furnished aid, by grant of lands, right of way, or otherwise, shall carry the mail at such prices as Congress may by law provide; and until such price is fixed by law the Postmaster-General may fix the rate of compensation.—*Act of March 3, 1873.*

That railroad companies whose railroad was constructed in whole or in part by a land grant made by Congress, on the condition that the mails should be transported over their road at such price as Congress should by law direct, shall receive only eighty per centum of the compensation authorized by this act.—*Act of July 12, 1876, sec. 13.*

Penalty for refusal to carry mails on fastest trains.

* * * *And if any railroad company shall fail or refuse to transport the mails, when required by the Post-Office Department, upon the fastest train or trains run upon said road, said company shall have its pay reduced fifty per centum of the amount provided by law.*—*Act of March 3, 1885.*

[No. 2502.]

Schedule of rates for railway mail transportation.

Average weight of mails per day carried over whole length of route.	Pay per mile per annum.			
	Rates allowable under act of Mar. 3, 1873.	Rates allowable under acts of July 12, 1876, and June 17, 1878.	Rates allowable to land-grant railroads, being 80 per cent of allowance to other railroads, under act of July 12, 1876.	Intermediate weight warranting allowance of \$1 per mile under the custom of the Department, subject to acts of July 12, 1876, and June 17, 1878.
				<i>Pounds.</i>
200 pounds.....	\$50.00	\$42.75	\$34.20	.....
200 to 500 pounds.....				12
500 pounds.....	75.00	64.12	51.30	.....
500 to 1,000 pounds.....				20
1,000 pounds.....	100.00	85.50	68.40	.....
1,000 to 1,500 pounds.....				20
1,500 pounds.....	125.00	106.87	85.50	.....
1,500 to 2,000 pounds.....				20
2,000 pounds.....	150.00	128.25	102.60	.....
2,000 to 3,500 pounds.....				60
3,500 pounds.....	175.00	149.62	119.70	.....
3,500 to 5,000 pounds.....				60
5,000 pounds.....	200.00	171.00	136.80	.....
For every additional 2,000 pounds....	25.00	21.37	17.10	.....
Over 5,000 pounds.....				80

No allowance is made for weights not justifying the addition of \$1.

Rates allowable per mile, per annum, for use of railway post-office cars when authorized.

R. P. O. cars:	Per daily line.
40 feet.....	\$25
45 feet.....	30
50 feet.....	40
55 to 60 feet.....	50

To constitute a "line" of railway post-office cars between given points, sufficient R. P. O. cars must be provided and run to make a trip daily each way between those points.

[No. 2503.]

[For the information of the proprietors of railroads.]

POST-OFFICE DEPARTMENT,
OFFICE OF THE SECOND ASSISTANT POSTMASTER-GENERAL,
RAILWAY ADJUSTMENT DIVISION.

REQUIREMENTS RESPECTING THE TRANSPORTATION OF MAILS ON RAILROAD ROUTES.

The transportation of mails is authorized on railroad routes with the understanding that the rate of compensation shall be determined upon returns showing the weight of mails and character of the service to be made within twelve months from the date of the commencement of the service, and no payment will be made except upon the basis of such returns. The mails should not be weighed until the service is fairly established on the route, and when the company is satisfied that this is accomplished the fact should be reported to the Second Assistant Postmaster-General, whose duty it is to fix the time and direct the weighing of the mails. (Postal Laws and Regulations, 1893, section 723.)

Every railroad company is required to take the mails from and deliver them into all terminal post-offices, whatever may be the distance between the station and post-office, except in cities where other provision is made by the Department. In all cases where the Department has not made other provision the distance between terminal post-office and nearest station is computed in and paid for as a part of the length of the route.

The railroad company will also be required to take the mails from and deliver them into all intermediate post-offices and postal stations located not more than 80 rods

from the nearest railroad office or station at which the company has an agent or other representative employed.

The Department will provide for the carriage of mails to and from intermediate post-offices and postal stations located more than 80 rods from the nearest railroad office or station, and also to and from intermediate post-offices and postal stations located 80 rods or less from railroad office or station when the railroad company has no agent employed at such office or station.

In all cases the distance between railroad office or station and the post-office or postal station must be measured by the shortest practicable route open to public travel.

At all points where the Department deems the exchange of mails necessary the speed of trains must be slackened so as to permit the exchange to be made with safety. (Postal Laws and Regulations, 1893, section 713.)

In case railroads are extended or trains run beyond the terminus of the route on which transportation of mails is duly authorized, the mails must not be carried beyond such terminus of the route until mail service on such extension is ordered by the Second Assistant Postmaster-General. (Postal Laws and Regulations, 1893, section 714.)

In case a railroad station is moved beyond the limit in which the company is required to deliver the mails, or for any other cause it becomes the duty of the Department to receive and deliver the mails, due notice should at once be sent to this office, so that proper arrangements may be made to have the mails carried between the post-office and the railroad station.

At connecting points where the railroad stations are not over 80 rods apart the company having mails on its train to be forwarded by the connecting train will be required to transfer such mails to the connecting train or deliver them to the agent of the company to be properly dispatched by the trains of said company.

The Department prescribes the length of cars to be used on all railway post-office lines. The inside measurement is used as the basis for fixing the rate of pay for full railway post-office cars.

No payment will be authorized for railway post-office cars unless such cars shall have been previously ordered by the Second Assistant Postmaster-General.

The rate of compensation is not allowed for the weight of mails alone, but the mails must be carried with due frequency and speed, and sufficient and suitable room, fixtures, and furniture, in a car or apartment of car, properly lighted and warmed, for R. P. O. clerks to accompany and distribute the mails as accessories to the weight of mails, shall be provided, in order to entitle a company to the maximum rate of pay. The specific requirements of the service with regard to these items are to be determined by the Department.

All communications relative to fixing the rate of pay for carrying the mails should be addressed to this office.

Railroad companies are required to convey upon any train, without specific charge therefor, all mail bags, post-office blanks, stationery supplies, and all duly accredited agents of the Department and post-office inspectors upon the exhibition of their credentials. (Postal Laws and Regulations, 1893, section 712.)

As soon as service is commenced on a route application should be made to the Auditor for the Post-Office Department for instructions respecting the designation of a financial agent and other matters relative to payment for service.

POST-OFFICE DEPARTMENT,
OFFICE OF THE POSTMASTER-GENERAL,
Washington, D. C., June 23, 1896.

Rev. J. W. BAILEY,
Editor Biblical Recorder, Raleigh, N. C.

DEAR SIR: The statement published by the United Press as to the effort of certain officials of the Seaboard Air Line to pad the mails during the weighing of the mails on that railroad and its connections is amply sustained by an investigation made by this Department, and I have placed the papers in the hands of the Attorney-General, with the request that he shall proceed criminally against all those engaged in this effort.

The statement purporting to come from the general superintendent of that road, recently put out in the papers, does not meet the charges, and you need have no fear of a libel suit for giving currency to any of the facts contained in the statement given out by the Department or any proper comments upon it. I have been myself surprised at the failure of the newspapers to hold up the action on the part of the railroad people to the merited condemnation of the public.

I write you this letter, not for publication, because I do not think, as the head of the Department, I ought to go into the press, but for your own satisfaction and in reply to yours of the 15th instant.

Very respectfully,

WM. L. WILSON,
Postmaster-General.

WASHINGTON, D. C., *December 14, 1896.*

Hon. CHARLES NEILSON,
Second Assistant Postmaster-General, Washington, D. C.

MY DEAR SIR: Referring to our conversation in your office Friday, December 10, touching the mail pay due the Seaboard Air Line Railroad by the Post-Office Department, in which you requested me to confer with the Attorney-General, saying you did not feel at liberty to express an opinion until advised by the Attorney-General. I beg leave to say that, pursuant to your request I went to the Department of Justice, and learning that the Attorney-General was not in had a conference with Mr. Solicitor-General Conrad. When I explained to him that the mail pay above referred to was withheld for the reason that the Post-Office Department was awaiting the advice or action of the Department of Justice, and could not pay until instructed by the Attorney-General, Mr. Conrad said he was not aware of any such question for the action or decision of the Department of Justice, and that he knew of no reason for withholding the mail pay. I had informed him that we had performed the service for the Government under its mail and postal laws and regulations, and insisted that we were entitled to the compensation provided by law.

Mr. Conrad then presented me to Mr. Whitney, Assistant Attorney-General, who, he informed me, was especially charged with such matters, and on repeating my statement to Mr. Whitney was informed by him substantially what had been told me by Mr. Conrad. I asked him, if such questions as you suggested was pending in the Department of Justice, would he likely be apprised of it. He replied in the affirmative, and I must therefore conclude there is some misapprehension somewhere in regard to the matter, and again request that the money now due the Seaboard Air Line Railroad for carrying the United States mails be paid over as in the case of other railroad companies for like service. They having performed the service on the weights ascertained by the mail agents, which weights have been compiled and duly certified to us by the proper officials of your Department, and otherwise complied with the laws and regulations of the Post-Office Department, the railroad company is entitled to prompt payment for services rendered.

If I am in error, please notify me as soon as you conveniently can, and oblige,

Yours, respectfully,

M. C. BUTLER,
Attorney for Seaboard Air Line Railroad.

POST-OFFICE DEPARTMENT,
OFFICE OF THE POSTMASTER-GENERAL,
Washington, D. C., December 15, 1896.

SIR: Referring to the matter of the padding of the mails during the late weighing on the railroad mail routes operated by the Seaboard Air Line system, and the reports of the post-office inspectors and of the Railway Mail Service, which are understood to be in the possession of the district attorney for the eastern district of Virginia, I have the honor to request that such reports as show the extent of the illegitimate weights carried on the trains during the weighing be returned to this office at the earliest practicable date, the intention being to make a computation of such weights.

The reports will be again returned to your Department as soon as the computations in question can be made.

Very respectfully,

WM. L. WILSON,
Postmaster-General.

Hon. JUDSON HARMON,
Attorney-General, Washington, D. C.

DEPARTMENT OF JUSTICE,
Washington, D. C., December 22, 1896.

The POSTMASTER-GENERAL.

SIR: I have the honor to acknowledge your communication of December 15, requesting the return of the post-office inspector's reports concerning the late weighing on the railroad mail routes operated by the Seaboard Air Line system. I inclose the reports herewith.

Answering your prior communications in relation to this matter, I have the honor to say that this case was placed some months ago in the hands of the then United States attorney for the eastern district of Virginia, who failed, however, either to prosecute or make any report therein. Upon requesting a report from him he assigned reasons for having failed to prosecute, which, in my opinion, were wholly insufficient. His resignation having been accepted about that time, the matter was placed in the hands of his successor, the present United States attorney. Careful investigation showed that there can be little doubt that a gross fraud was perpetrated upon the United States in connection with the weighing of these mails, and that if all frauds upon the United States were made criminal offenses, Mr. McBee, the general manager of this system of railroads, could be convicted thereof. Unfortunately, however, only certain specified frauds upon the United States are made criminal offenses. There is a criminal statute directed against all conspiracies to defraud the United States. This statute requires the participation of more than one person in the criminal act, and I have not been supplied with any information tending to implicate anyone else besides McBee himself. I have, in my annual report, called the attention of Congress to this defect in our legislation, but, as at present informed, am not warranted in instituting a prosecution in this case.

Very respectfully,

JUDSON HARMON, *Attorney-General.*

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., December 29, 1896.

SIR: Referring to your letter of the 22d instant (E. B. W., 2826, 1896), with which you forward Inspector Gregory's reports of April 11 and May 5, 1896, relative to the weighing of the mails on the Seaboard Air Line system, I have the honor to request that the reports made by mail weighers, railway post-office clerks, and others, which show more in detail than the reports of the inspector the weight of illegitimate matter, also be returned to this office at your earliest convenience.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Hon. JUDSON HARMON, *Attorney-General.*

DEPARTMENT OF JUSTICE,
Washington, D. C., December 30, 1896.

Hon. C. NEILSON,
Second Assistant Postmaster-General.

SIR: Answering your letter of December 29, with relation to the reports of mail weighers, etc., relating to the Seaboard Air Line system, forwarded to me last spring, I beg to say that they were sent to the then United States attorney for the eastern district of Virginia. I will write to the present United States attorney, asking him to have the papers sent you if they are in his possession or that of his predecessor. If not, they were probably delivered to employees of the Department, as they have never been returned.

Very respectfully,

JUDSON HARMON,
Attorney-General.

DEPARTMENT OF JUSTICE,
EASTERN DISTRICT OF VIRGINIA,
Norfolk, Va., January 4, 1897.

Hon. C. NEILSON,
Second Assistant Postmaster-General, Washington, D. C.

SIR: In accordance with directions from Hon. Judson Harmon, Attorney-General, under date of December 30, 1896, I have this day forwarded to you by United States mail a package containing the exhibits and other papers which constituted a part of the reports of Post-Office Inspector H. T. Gregory, in the matter of the charge against McBee, concerning the weighing of mails on the Seaboard Air Line.

Inclosed I hand you a list of the papers contained in the said package.

Respectfully,

WM. H. WHITE,
United States District Attorney.

DEPARTMENT OF JUSTICE,
EASTERN DISTRICT OF VIRGINIA,
Norfolk, Va., January 4, 1897.

*Inventory of papers in United States v. McBee et al. forwarded to Hon. C. Neilson,
Second Assistant Postmaster-General, January 4, 1897.*

Reports of Superintendent of Railway Mail Service to General Superintendent, one dated April 20 and the other March 25, 1896, with exhibits inclosed.

Exhibits A to Q, inclusive, filed with report of Post-Office Inspector H. T. Gregory.

One package of separate exhibits with said report.

One package of general Exhibits A to N with same.

Consolidated statement of weights of mails with same.

WASHINGTON, D. C., January 22, 1897.

Hon. C. NEILSON,
Second Assistant Postmaster-General.

SIR: Referring to your conversation this morning in which you requested us to submit in writing the suggestions we then made to you in regard to the mail pay due the Seaboard Air Line system, we beg to call your attention to what appears to be a mistake in the compilation touching the allowance made to the Route 118003 from Wilmington, N. C., to Rutherfordton, N. C.

In your certificate of compensation for transportation of mails bearing date January 16, 1897, on the above route, you will observe there is only an allowance of \$96.62 per mile, which is incompatible with your directions in which you say, "You are authorized to take the weights of mails per day outward and inward for a period of thirty successive working days, commencing April 1, 1896, on Route 118003 between Wilmington and Rutherfordton, N. C., operated by the Carolina Central Railroad Company, and to make returns thereof with other facts concerning the service performed below."

This statement is accompanied by a certificate on behalf of the Department by C. W. Vickery, superintendent Railway Mail Service, Third Division, which is as follows:

"I hereby certify that the foregoing statements of the weight of mails is correct according to daily returns made by sworn employees of the Department, and the statement of service is correct to the best of my knowledge and belief."

This certificate bears date May 26, 1896, and the weights certified to above are as follows: Total put off and on trains for thirty days, 142,127 pounds.

This would seem to indicate that this route is entitled to a much greater allowance of pay than is made, viz, \$96.62 per mile. We would feel obliged if you explain by what methods and in what manner you have made the reduction below the proper allowance of mail pay to which we are entitled according to the total weights as certified by the Department.

Very truly, yours,

SHELLEY, BUTLER & MARTIN,
Attorneys, etc.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 25, 1897.

GENTLEMEN: Your letter of the 22d instant, relative to the statement of pay on Route 118003, Wilmington to Rutherfordton, N. C., in which you state that the total weight put off and put on trains for thirty days was 142,127 pounds, and claim that this is incompatible with the allowance of \$96.62 per mile, has been received.

In reply I wish to call your attention to the law relative to the compensation that may be paid to railroad mail carriers, as shown by the accompanying Circular 2501, and to the fact that the rates of compensation are based on the average weight of mails per day carried over the whole length of the route and not on the total put off and on trains for thirty days.

You will readily understand that the distance mails are carried over a route must be taken into consideration in ascertaining the average per day over the whole length of the route.

Such an average has been made of the mails on this route, and this taken in connection with the deduction noted in our letter to you under date of January 16, 1897, will show that the allowance of \$96.62 per mile per annum is not incompatible with the "total put off and put on trains for thirty days" as shown by the weight returns quoted.

It may be well to state that for the route in question the total put off and put on trains for thirty days was 246,803 pounds, and not 142,127, as indicated in your letter.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Messrs. SHELLEY, BUTLER & MARTIN,
Attorneys for Seaboard Air Line Railroad Co.,
Rooms 55, 56, and 57, Kellogg Building,
No. 1416 F Street NW, Washington, D. C.

For Circular 2501 see p. 106.)

SEABOARD AIR LINE, OFFICE OF GENERAL COUNSEL,
Portsmouth, Va., February 1, 1897.

Hon. C. NEILSON,
Second Assistant Postmaster-General, Washington, D. C.

DEAR SIR: Messrs. Shelley, Butler & Martin, attorneys, Washington, D. C., have referred to me your letter of January 25 and also copy of Post-Office Department Circular No. 2501, which you inclose.

I have also received the table of weights, verified by the oath of the proper official, and the certificate of compensation. These supply the proper and only basis for an adjustment, and I shall insist that the amount paid for the service shall conform to the data thus authenticated, except in so far as you may be authorized to make reduction under the provisions of the acts quoted in the circular referred to, to wit, the act of July 12, 1876, section 1, and the act of June 17, 1878.

I have gone over the reports containing weights and certificates of the various roads embraced in the Seaboard Air Line carefully, and I find that there is such a difference in your estimate of the amount due on the connecting routes that I must decline to accept in full payment the amount shown in your returns on route No. 118003. You will observe the following comparison of mail put on and taken off for thirty days on the routes named, to wit:

Route.	Total weight.	Weight per day.	Rate per mile.
118001	184,850	6,162	\$157.32
118010	152,151	5,072	146.21
118003	246,803	8,227	96.62

The latter route, from Wilmington to Rutherfordton, includes 53 miles (Hamlet to Monroe) of the main line, and, take it upon the whole, is one of the most prosperous portions of the system, and while it carries all of the main line mail between Hamlet and Monroe, it shows an average of 4,011 pounds per day transported over the entire route, which would entitle us to \$175 per mile, less the legal deduction of 15 per cent under the acts of July 12, 1876, and June 17, 1878, which would make it \$148.75; and, according to your calculations of this route, there has been an increase of only \$11.12 per mile, although, as stated above, 53 miles of this road has been included in the main line between Portsmouth, Washington, and Atlanta since the last weights were taken.

I can not advise the acceptance of the amount proposed to be paid, to wit, \$96.62 per mile, route 118003, as it seems to be an arbitrary ruling—one not warranted by the facts or authorized by the law. Messrs. Shelley, Butler & Martin advise me that they have called to see you several times, and have written, at your request, asking that you would explain the calculation or the provision by which you fix this compensation, but without result. You have stated that an increase of 42 per cent had been allowed. On this route it is only about 12 per cent, and there is no method of computation, predicated upon the official reports, by which this percentage can be arrived at. I insist that the amount to be paid shall be based upon actual weight as sworn to by the trusted officials of your Department who are charged with this duty, unless you intend to impeach the integrity of the returns and the character of your subordinate who verified it. The law seems quite plain and it fixes a limit to your authority. I deny your right to reduce compensation below that shown by your own sworn certificate, except in the manner and to the extent hereinbefore referred to.

I know something of the controversy between your Department and some of the officials of the Seaboard Air Line, but with it I have had no connection and have now no concern. The parties interested have courted and demanded, but without success, the most searching investigation of alleged "irregularities."

You have issued a table of weights and a certificate of compensation, which were prepared and verified by your subordinates, and I only ask a settlement in accordance with these statements. You must, upon reflection, realize the correctness of my position and the justness of my claim. A controversy with your Department in the closing days of the Administration is much to be deplored, and I sincerely hope you will not force the issue.

Yours, very truly,

LEGH WATTS, *General Counsel.*

WASHINGTON, D. C., *February 1, 1897.*

Hon. C. NEILSON,
Second Assistant Postmaster-General.

SIR: We are instructed by the Hon. Legh R. Watts, general counsel of the Seaboard Railroad, to acknowledge the receipt of the checks for mail pay on that road to December 31, 1896, and "to notify the Department that we shall demand a settlement according to weights without deduction or rebate of any kind unless it be such deduction as the Department is authorized to make by virtue of any law now in force, but this must be separate and distinct from any deductions made, or claimed to be made, upon the ground of irregularity."

We understand Judge Watts to mean that it was the purpose of the company to receive the amount allowed on account, and to insist on whatever balance may be due by the weights certified by the Department officials. Will you do us the kindness to acknowledge the receipt of this and oblige,

Yours, very truly,

M. C. BUTLER,
For Shelley, Butler & Martin, Attorneys, etc.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., February 3, 1897.

MESSRS. SHELLEY, BUTLER & MARTIN,
Attorneys, 55, 56, and 57, Kellogg Building, Washington, D. C.

GENTLEMEN: I beg to acknowledge the receipt of your letter of February 1, 1897, and regret extremely that the Department does not agree with the views expressed therein.

Yours, respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

SEABOARD AIR LINE, OFFICE OF GENERAL COUNSEL,
Portsmouth, Va., February 13, 1897.

Hon. C. NEILSON,
Second Assistant Postmaster-General, Washington, D. C.

DEAR SIR: I have your letter of the 6th instant, and would have replied before but for absence from the city. I thought when I wrote that a citizen had a right to ask an explanation in a matter in which he was vitally concerned of those charged with the administration of a public trust, whenever he failed to understand the methods adopted or felt himself wronged by the result reached. It seems, however, that your office is an exception, as you fail utterly to answer the question asked or to give me the information desired. This will not deter me, however, from again asking if the 909 pounds deducted is a deduction made alone from the weights on Route No. 118003, or is it a deduction divided between it and the several other routes composing the Seaboard system. Again, does this deduction represent the deduction of 10 per cent authorized by the act of July 12, 1876, and the additional reduction of 5 per cent under the act of June 17, 1878? The mails of the Seaboard system were weighed by order of the proper authorities, and the weights reported to your office. Charles M. Vickery, esq., superintendent of the mail service, third division, certified that "the statement of the weight of mails is correct according to daily returns made by the sworn employees of the Department, and the statement of service is correct to the best of my knowledge and belief." From what I have heard, Mr. Vickery is a gentleman of the highest character, and if he could certify these returns based upon the reports made by sworn employees, by what right do you undertake to impeach them? You say that the parties who made these returns presented to you evidence that the mails had been padded to the extent of 909 pounds at least. If they had knowledge of this fact, and if it be a fact, how could

they make affidavit to the correctness of these weights? You may have had a right to make the deduction from the weights returned of 15 per cent, but I submit that you have not the right to assign as a reason for thus making it that the mails were padded.

Awaiting your reply before going further into this matter, I am,

Very respectfully, yours,

LEGH WATTS, *General Counsel.*

**NOTICES OF THE ADJUSTMENTS, AND THE PAY ORDERS, TERM
JULY 1, 1896, TO JUNE 30, 1900.**

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118001, between Weldon and Raleigh, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$15,113.73 per annum, being \$157.32 per mile for 96.07 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Raleigh and Gaston Railroad Company, Portsmouth, Va.
(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118001; termini of route, Weldon and Raleigh; length of route, 96.07 miles; number of trips per week, 14. Raleigh and Gaston Railroad Company.

Pay the Raleigh and Gaston Railroad Company, quarterly, for carrying the mail between Weldon and Raleigh, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$15,113.73 per annum, being \$157.32 per mile for 96.07 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than 6 round trips per week.

C. NEILSON.

Average daily weight, 4,067 pounds; increase in transportation pay, \$3,710.16 per annum; decrease in length, 1.28 miles.

Order No. 938; date, January 16, 1897; daybook page, 69; notified company, January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118003, between Wilmington and Rutherfordton, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$25,904.78 per annum, being \$96.62 per mile for 268.11 miles.

This adjustment is subject to further orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Carolina Central Railroad Company, Portsmouth, Va.
(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118003; termini of route, Wilmington and Rutherfordton; length of route, 268.11 miles; number of trips per week, 11.09; Carolina Central Railroad Company.

Pay the Carolina Central Railroad Company, quarterly, for carrying the mail between Wilmington and Rutherfordton, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$25,904.78 per annum, being \$96.62 per mile for 268.11 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 1,267 pounds; increase in transportation pay, \$2,985.65 per annum; increase in length, 0.05 mile. Order No. 939; date, January 16, 1897; day-book page, 69; notified company January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on route No. 118010, between Raleigh and Hamlet, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$14,132.65 per annum, being \$146.21 per mile for 96.66 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Raleigh and Augusta Air Line Railroad Company,
Portsmouth, Va.

(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118010; termini of route, Raleigh and Hamlet; length of route, 96.66 miles; number of trips per week, 14; Raleigh and Augusta Air Line Railroad Company.

Pay the Raleigh and Augusta Air Line Railroad Company, quarterly, for carrying the mail between Raleigh and Hamlet, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$14,132.65 per annum, being \$146.21 per mile for 96.66 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 3,314 pounds; increase in transportation pay, \$6,584.63 per annum; decrease in length, 1.43 miles. Order No. 940; date, January 16, 1897; day-book page, 69; notified company January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118025, between Louisburg and Franklinton, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty consecutive working days, commencing April 1, 1896, at the rate of \$455.72 per annum, being \$43.61 per mile for 10.45 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Raleigh and Gaston Railroad Company, Portsmouth, Va.
(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118025; termini of route, Louisburg and Franklinton; length of route, 10.45 miles; number of trips per week, 12. Raleigh and Gaston Railroad Company.

Pay the Raleigh and Gaston Railroad Company, quarterly, for carrying the mail between Louisburg and Franklinton, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$455.72 per annum, being \$43.61 per mile for 10.45 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 221 pounds; decrease in transportation pay, \$14.70 per annum; increase in length, .07 miles.

Order, No. 941; date, January 16, 1897; daybook page, 69; notified company, January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118029, between Moncure and Pittsboro, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$528.39 per annum, being \$42.75 per mile for 12.36 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. St. JOHN,
Vice-President Raleigh and Augusta
Air Line Railroad Company, Portsmouth, Va.
(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118029; termini of route, Moncure and Pittsboro; length of route, 12.36 miles; number of trips per week, 12; Raleigh and Augusta Air Line Railroad Company.

Pay the Raleigh and Augusta Air Line Railroad Company, quarterly, for carrying the mail between Moncure and Pittsboro, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$528.39 per annum, being \$42.75 per mile for 12.36 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 125 pounds; increase in transportation pay, \$86 per annum; increase in length, .02 miles.

Order No. 942; date, January 16, 1897; daybook page, 69; notified company, January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on route No. 118033, between Boykins, Va., and Lewiston, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$1,918.84 per annum, being \$53.87 per mile for 35.62 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. St. JOHN,
Vice-President Seaboard and Roanoke Railroad Company, Portsmouth, Va.
(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118033; termini of route, Boykins, Va., and Lewiston, N. C.; length of route, 35.62 miles; number of trips per week, 13.37; Seaboard and Roanoke Railroad Company.

Pay the Seaboard and Roanoke Railroad Company quarterly for carrying the mail between Boykins, Va., and Lewiston, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$1,918.84 per annum, being \$53.87 per mile for 35.62 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 366 pounds; increase in transportation pay, \$173.95 per annum; decrease in length, .18 mile.

Order No. 943; date, January 16, 1897; daybook page, 69; notified company January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118034, between Hamlet and Gibson Station, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$430.49 per annum, being \$42.75 per mile for 10.07 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Raleigh and Augusta Air Line Railroad Company,
Portsmouth, Va.

(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118034; termini of route, Hamlet and Gibson Station; length of route, 10.07 miles; number of trips per week, 6; Raleigh and Augusta Air Line Railroad Company.

Pay the Raleigh and Augusta Air Line Railroad Company quarterly for carrying the mail between Hamlet and Gibson Station, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$430.49 per annum, being \$42.75 per mile for 10.07 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 84 pounds; decrease in transportation pay, \$4.27 per annum; decrease in length, .1 mile.

Order No. 944; date, January 16, 1897; daybook page, 69; notified company January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118038, between Monroe, N. C., and Clinton, S. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$12,374.16 per annum, being \$135.95 per mile for 91.02 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Georgia, Carolina and Northern Railway Company,
Portsmouth, Va.

(Through Shelley, Butler, & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118038; termini of route, Monroe, N. C., and Clinton, S. C.; length of route, 91.02 miles; number of trips per week, 14; Georgia, Carolina and Northern Railway Company.

Pay the Georgia, Carolina and Northern Railway Company quarterly for carrying the mail between Monroe, N. C., and Clinton, S. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$12,374.16 per annum, being \$135.95 per mile for 91.02 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 2,589 pounds; increase in transportation pay, \$8,087.38 per annum; decrease in length, 0.13 miles.

Order No. 945; date, January 16, 1897; daybook page, 70; notified company January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118041, between Henderson and Durham, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days commencing April 1, 1896, at the rate of \$1,987.49 per annum, being \$47.88 per mile for 41.51 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Durham and Northern Railway Company, Portsmouth, Va.
(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; Date, January 16, 1897; number of route, 118041; termini of route, Henderson and Durham; length of route, 41.51 miles; number of trips per week, 9; Durham and Northern Railway Company.

Pay the Durham and Northern Railway Company quarterly for carrying the mail between Henderson and Durham, N. C., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$1,987.49 per annum, being \$47.88 per mile for 41.51 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 275 pounds; increase in transportation pay, \$212.09 per annum; decrease in length, 0.02 miles.

Order No. 946; date, January 16, 1897; daybook page, 70; notified company January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118045, between Hamlet, N. C., and Cheraw, S. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$791.73 per annum, being \$42.75 per mile for 18.52 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Raleigh and Augusta Air Line Railroad Company,
Portsmouth, Va.
(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118045; termini of route, Hamlet, N. C., and Cheraw, S. C.; length of route, 18.52 miles; number of trips per week, 6. Raleigh and Augusta Air Line Railroad Company.

Pay the Raleigh and Augusta Air Line Railroad Company, quarterly, for carrying the mail between Hamlet, N. C., and Cheraw, S. C., from July 1, 1896, to June 30, 1900 (unless otherwise ordered), at the rate of \$791.73 per annum, being \$42.75 per mile for 18.52 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than 6 round trips per week.

C. NEILSON.

Average daily weight, 88 pounds; decrease in transportation pay, \$0.85 per annum; decrease in length 0.02 miles.

Order No. 947; date, January 16, 1897; daybook page, 70; notified company, January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 118051, between Pendleton and Murfreesboro, N. C., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$271.89 per annum, being \$42.75 per mile for 6.36 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Seaboard and Roanoke Railroad Company,
Portsmouth, Va.

(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, North Carolina; date, January 16, 1897; number of route, 118051; termini of route, Pendleton and Murfreesboro; length of route, 6.36 miles; number of trips per week, 6. Seaboard and Roanoke Railroad Company.

Pay the Seaboard and Roanoke Railroad Company, quarterly, for carrying the mail between Pendleton and Murfreesboro, N. C., from July 1, 1896, to June 30, 1900 (unless otherwise ordered), at the rate of \$271.89 per annum, being \$42.75 per mile for 6.36 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than 6 round trips per week.

C. NEILSON.

Average daily weight, 85 pounds; decrease in transportation pay, \$15.39 per annum; decrease in length, 0.36 miles.

Order No. 948; date, January 16, 1897; daybook page, 70; notified company, January 16, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

SIR: The compensation for the transportation of mails, etc., on Route No. 121071, between Clinton, S. C., and Atlanta, Ga., has been fixed from July 1, 1896, to June 30, 1900 (unless otherwise ordered), under acts of March 3, 1873, July 12, 1876, and June 17, 1878, upon returns showing the amount and character of the service for thirty successive working days, commencing April 1, 1896, at the rate of \$26,436.25 per annum, being \$145.35 per mile for 181.88 miles.

This adjustment is subject to future orders and to fines and deductions.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

Mr. E. ST. JOHN,
Vice-President Georgia, Carolina and Northern Railway Company,
Portsmouth, Va.

(Through Shelley, Butler & Martin, attorneys, Washington, D. C.)

RAILWAY ADJUSTMENT DIVISION.

State, Georgia; date, January 16, 1897; number of route, 121071; termini of route, Clinton, S. C., and Atlanta, Ga.; length of route, 181.88 miles; number of trips per week, 14; Georgia, Carolina and Northern Railway Company.

Pay the Georgia, Carolina and Northern Railway Company quarterly for carrying the mail between Clinton, S. C., and Atlanta, Ga., from July 1, 1896, to June 30, 1900, unless otherwise ordered, at the rate of \$26,436.25 per annum, being \$145.35 per mile for 181.88 miles for transportation.

This adjustment is subject to future orders and to fines and deductions, and is based on a service of not less than six round trips per week.

C. NEILSON.

Average daily weight, 3,200 pounds; increase in transportation pay, \$8,425.85 per annum; increase in length, 6.34 miles.

Order No. 949; date, January 16, 1897; daybook page, 70; notified company January 15, 1897.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., January 16, 1897.

GENTLEMEN: In connection with the adjustment of compensation on the railroad mail routes of the Seaboard Air Line system for the current term, notices of which are forwarded to you to-day, I have to state that the adjustment is based on the weights and character of the service as ascertained at the last weighing of the mails on the routes in question, with a deduction in the average weight of mails per day on the line between Weldon and Atlanta of the weight of the illegitimate matter which an investigation showed was carried over and included in the weights as taken by the weighers on those routes and which amounted to an average between the points named of 909 pounds.

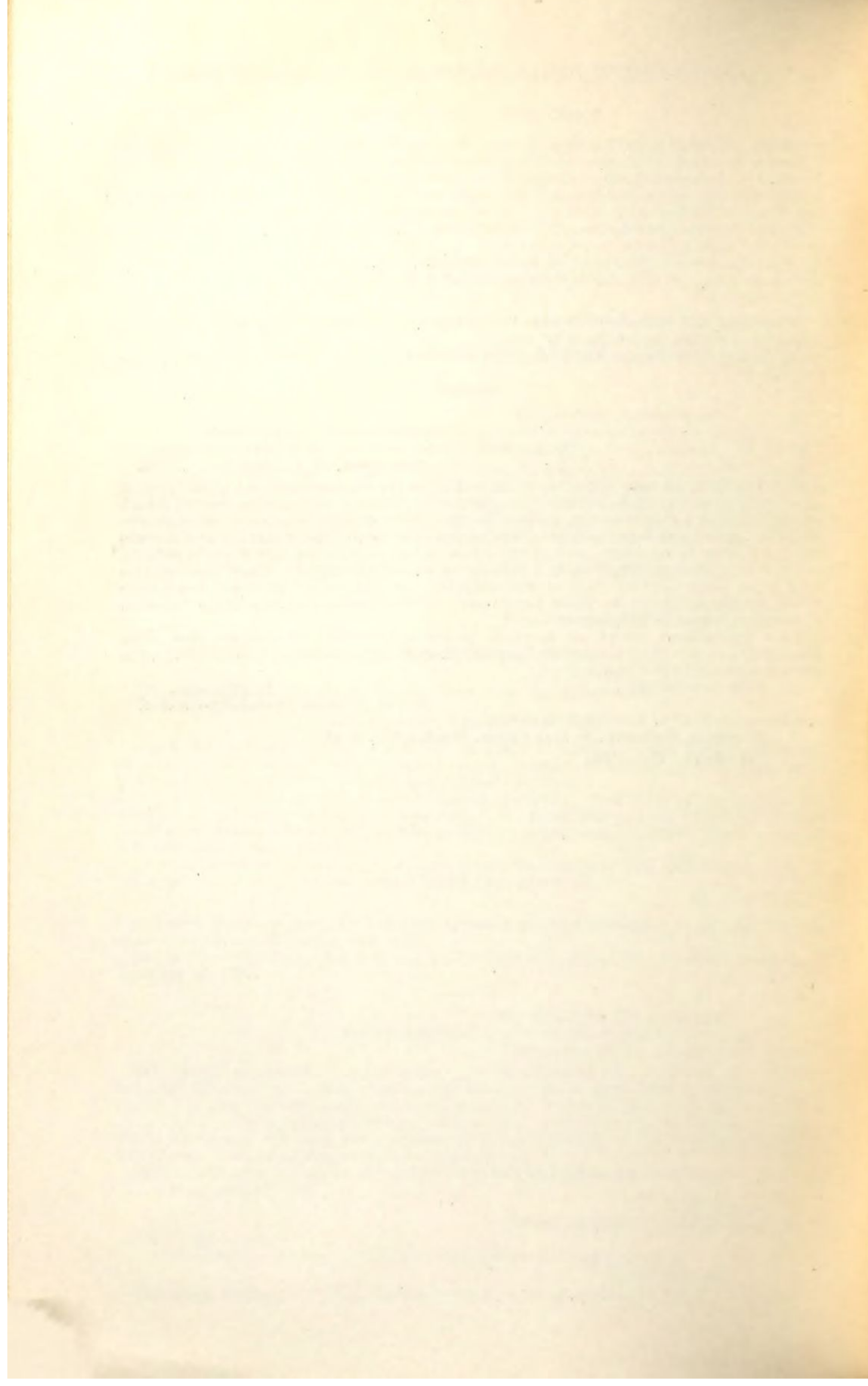
This adjustment shows an increase in the annual rate of compensation from \$70,209.76, as it was at the end of the preceding quadrennial term, to \$100,646.12, the increase being 42 per cent.

Very respectfully,

C. NEILSON,
Second Assistant Postmaster-General.

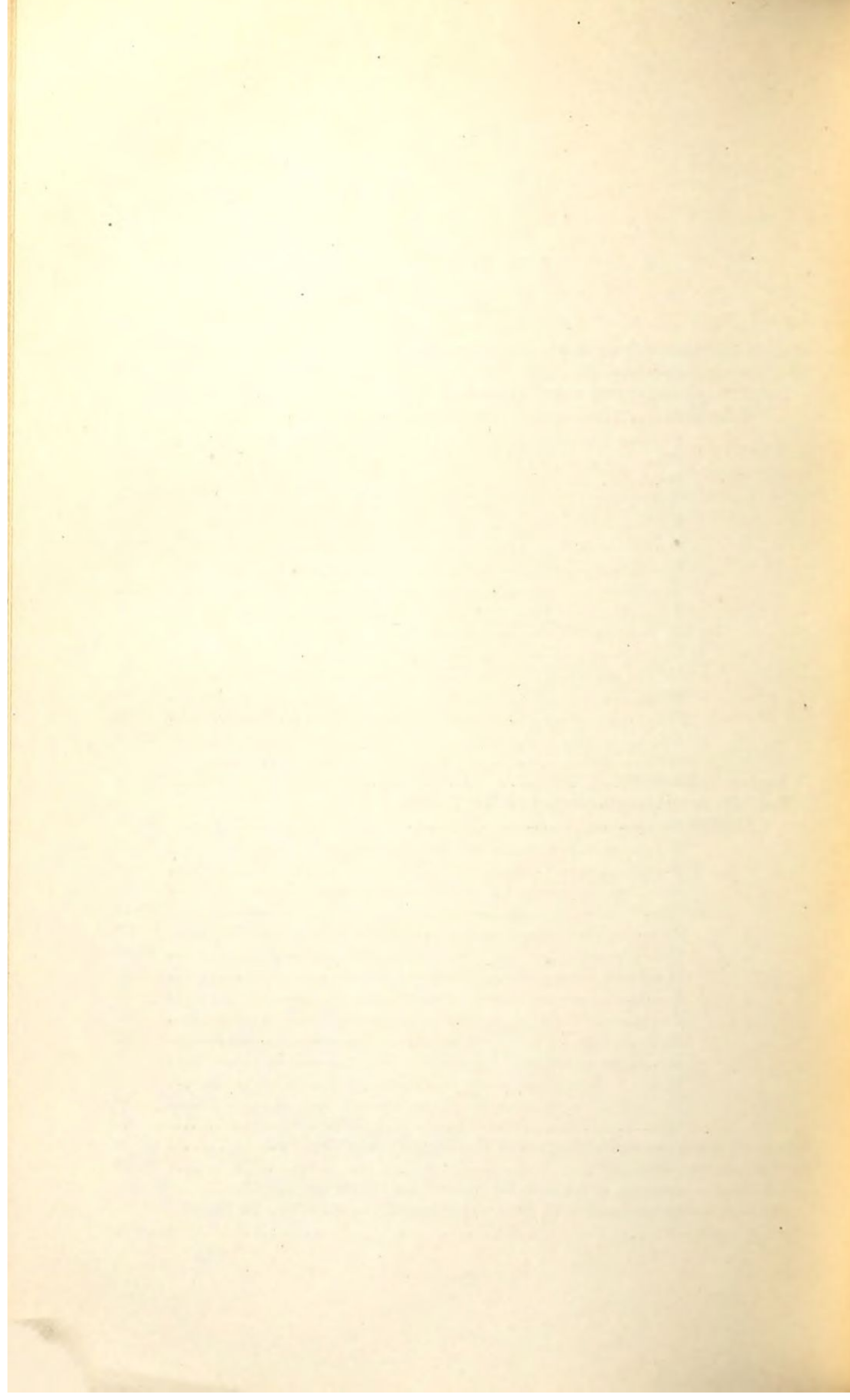
Messrs. SHELLEY, BUTLER & MARTIN,
Attorneys, Seaboard Air Line System, Washington, D. C.

S. Doc. 5 — 32



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REPORT OF THE WASHINGTON, ALEXANDRIA AND MOUNT
VERNON RAILWAY COMPANY.

MARCH 2, 1897.—Referred to the Committee on the District of Columbia and
ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE COMMISSIONERS OF THE DISTRICT OF
COLUMBIA, TRANSMITTING THE ANNUAL REPORT OF THE
WASHINGTON, ALEXANDRIA AND MOUNT VERNON RAILWAY
COMPANY FOR THE YEAR ENDED DECEMBER 31, 1896.

OFFICE OF THE COMMISSIONERS
OF THE DISTRICT OF COLUMBIA,
Washington, March 1, 1897.

SIR: The Commissioners of the District of Columbia have the honor
to transmit herewith the annual report of the Washington, Alexandria
and Mount Vernon Railway Company for the year ended December 31,
1896.

Very respectfully,
President Board of Commissioners, District of Columbia.

Hon. A. E. STEVENSON,
President of the Senate.

WASHINGTON, ALEXANDRIA AND MOUNT VERNON
RAILWAY COMPANY,
Washington, D. C., January 29, 1897.

GENTLEMEN: By section 15 of the act of Congress approved August
23, 1894 (28 Stats., 494), entitled "An act to authorize the Washington,
Alexandria and Mount Vernon Electric Railway Company to extend its
line of road into and within the District of Columbia, and for other
purposes," it is provided that—

Said company shall, on or before the 15th of February of each year, make a report
to Congress, through the Commissioners of the District of Columbia, of the names
of all the stockholders therein, and the amount of stock held by each, together with
a detailed statement of the receipts and expenditures within the District of Colum-
bia, from whatever source and on whatever account, for the preceding year ending
December 31, etc.

In compliance with the above, quoted provision of said act, I herewith
hand you a report (Exhibit A) of the names of all the stockholders of
the Washington, Alexandria and Mount Vernon Railway Company,
the amount of stock held by each, and a detailed statement (Exhibit B)
of the receipts and expenditures.

The company operates its road from Thirteen-and-a-half and E streets, in said city of Washington, to Mount Vernon, and also to Rosslyn, the latter embracing operations to Arlington and the former to Alexandria, which is on the line between Washington and Mount Vernon. The distance from Thirteen-and-a-half and E streets, in the city of Washington, to the foot of Fourteenth street is about nine-tenths of a mile, from Thirteen-and-a-half and E streets to Alexandria is about 7.7 miles, from the same place to Mount Vernon about 15.8 miles, from the same place to Arlington about 4.5 miles, and from the same place to Rosslyn about 5.6 miles. The inclosed tabulated statements show the number of passengers between Thirteen-and-a-half and E streets and all the points above mentioned, and to and from all intermediate points.

Since the provision with reference to receipts and expenditures especially refers to same "within the District of Columbia," the question arises as to what proportion thereof shall be attributed to the District of Columbia. Substantially all the tickets sold by the company in the operation of its road are charged for upon a mileage rate or basis. Therefore, the amount that is to be attributed to the District of Columbia should be arrived at upon the basis of a pro rata mileage rate, excepting, of course, such tickets as are sold to be used exclusively within the District of Columbia, which, however, is inconsiderable, only amounting to \$8.42.

I hand you herewith full and detailed statements (Exhibit C) of the operations of the company between all the points above mentioned and the intermediate points, the result of which, upon the mileage basis above mentioned, is that there has been earned by the company within the District of Columbia, between the time the road was opened, to wit, on the 24th of May, 1896, and the 31st of December of the same year, the sum of \$6,524.87 from tickets sold, to which must be added the pro rata in like manner of cash collections, making in all \$832.21.

I would be pleased to hear from you at your earliest convenience with reference to these apportionments, and if in any particular you dissent from this, the first report made by the company under said act, I would be glad to have a statement of your contention in the matter, so that if there is any further information required I may be enabled to furnish it before the expiration of the time fixed in said act.

Very truly,

G. E. ABBOT, *President.*

The COMMISSIONERS OF THE DISTRICT OF COLUMBIA.

EXHIBIT A.

List of stockholders of the Washington, Alexandria and Mount Vernon Railway Company.

	Shares.
David C. Leech.....	242
James S. Swartz.....	128
Griffith E. Abbot.....	128
James R. Caton.....	100
Frank A. Reed.....	100
Frank K. Hipple.....	114
Park Agnew.....	128
Frederick Mertens.....	128
Estate of Henry S. Leech, deceased.....	28
Mount Vernon Construction Company.....	4,001

	Shares.
Frank K. Hipple and Griffith E. Abbot.....	110
Griffith E. Abbot, trustee.....	100
Griffith E. Abbot, trustee.....	3
George F. Huff.....	500
Jacob K. Swartz.....	40
G. Brinton Roberts.....	50
David E. Williams.....	50
Samuel Rea.....	10
Joseph Crawford.....	10
George A. Walker.....	3,980
John Cassels.....	50
Total	10,000

STATE OF PENNSYLVANIA, *City of Philadelphia*, ss:

Frank K. Hipple, being duly sworn according to law, saith that he is the secretary of the Washington, Alexandria and Mount Vernon Railway Company, and the foregoing is a true and correct list of the stockholders of said company, with the number of shares of stock owned by each, as appears upon the books of said company on this 10th day of February, A. D. 1897.

FRANK K. HIPPLE.

Sworn and subscribed before me on this 10th day of February, A. D. 1897.

[SEAL.]

THOMAS B. PROSSER,
Notary Public.

EXHIBIT B.

Total passengers	325,286
Total value	\$61,626.69
Total Washington City	\$7,357.08

Expenses.

Cost operating 1.8 miles Washington City	\$6,834.90
Cost constructing 1.8 miles Washington City	115,045.55
Total expenses	121,880.45

City construction.

E. Saxton, conduit and contract work	\$34,182.17
Department work (water, gas, sewer, and street)	6,460.96
Conduit work (Electric Light and Telegraph company)	1,579.46
Special ironwork	12,433.00
Paving	3,278.46
Engineering	4,435.53
Standard iron, etc	47,593.26
Terminal in Washington	1,000.00
General expenses	2,651.16
Total	113,614.00

4 WASHINGTON, ALEXANDRIA AND MOUNT VERNON RAILWAY CO.

EXHIBIT C.

	Total pas- sengers.	Total value.	Washing- ton City earnings.	Number of tickets.
Washington and Alexandria:				
10 cents.....	183	\$18.30	\$2.12	.....
15 cents.....	31,591	4,738.65	549.68	.....
25 cents.....	74,340	18,585.00	2,289.67	.....
Washington and Alexander Island, 17 cents.....	3,349	569.33	217.68	.....
Washington and Arlington Junction, 15 cents.....	412	61.80	20.56	.....
Washington and Alexander Island, 15 cents.....	370	54.50	21.31	.....
Washington and Arlington:				
20 cents.....	16,617	3,323.40	663.02	.....
15 cents.....	741	111.15	22.23	.....
Washington and Addison, 18 cents.....	545	98.10	29.43	.....
Washington and Four Mile Run, 25 cents.....	522	130.50	28.55	.....
Washington and St. Asaph:				
10 cents.....	1,000	100.00	17.00	.....
25 cents.....	14,648	3,662.00	645.97	.....
Washington and Del Ray, 25 cents.....	2,077	519.25	83.29	.....
Washington and New Alexandria:				
15 cents.....	22	3.30	.31	.....
25 cents.....	45	11.25	1.04	.....
Washington and Riverside:				
40 cents.....	8,049	3,219.60	195.59	.....
25 cents.....	4,928	1,232.00	75.40	.....
Washington and Mount Vernon:				
35 cents.....	1,628	569.80	32.23	.....
50 cents.....	15,453	7,726.50	438.86	.....
60 cents.....	2,191	1,314.60	67.04	.....
Washington and Four Mile Run, 15 cents.....	14	2.10	.45	.....
Washington and Mount Vernon:				
20 cents.....	6	1.20	.07	.....
25 cents.....	11	2.75	.15	.....
Washington City, 4½ cents.....	202	8.42	8.42	.....
Washington and Alexandria:				
8-trip tickets, 90 cents.....	38,624	4,345.00	505.97	4,828
12-trip tickets, 90 cents.....	9,564	717.30	85.19	797
8-trip tickets, 50 cents.....	24	1.50	.17	3
25-trip tickets—				
\$2.50.....	29,450	2,945.00	344.56	1,178
\$1.50.....	3,050	183.00	21.04	122
Washington and Alexandria:				
50-trip tickets, \$6.70.....	100	13.40	1.56	2
60-trip tickets, \$4.65.....	10,500	813.75	99.75	175
Washington and St. Asaph, 60-trip tickets, \$4.35.....	1,260	91.35	16.10	21
Washington and Alexandria, 46-trip tickets, \$3.10.....	1,242	83.70	9.68	27
Washington and Riverside, 46-trip tickets, \$6.....	368	48.00	2.90	8
Washington and Addison, 50-trip tickets, \$4.30.....	50	4.30	1.22	1
Washington and Alexandria, 180-trip tickets, \$12.60..	2,340	163.80	18.95	13
Washington and Del Ray, 15 cents.....	111	16.65	2.66	.....
Cash fares, Washington and Alexandria, 15 cents....	47,468	7,120.24	832.21	.....
Total.....	325,286	61,626.69	7,357.08	.....

EXHIBIT C—Continued.

	Washington.	Foot Fourteenth street.	Alexander Island.	Arlington Junction.	Four Mile Run.	St. Asaph.	North West.	Spring Park.	Alexandria.	New Alexandria.	Dyke.	Belmont.	Wellington.	Arcturus.	Snowden.	Grassy Mead.	Hunters.	Riverside Park.	Mount Vernon.	Columbia Pike.	Arlington.	Rosslyn.
Washington.....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foot Fourteenth street....	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Alexander Island.....	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Arlington Junction.....	17	17	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Four Mile Run.....	15	15	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
St. Asaph.....	25	25	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Northwest.....	25	25	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Spring Park.....	15	15	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Alexandria.....	25	25	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
New Alexandria.....	15	15	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Dyke.....	25	25	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Belmont.....	40	40	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Wellington.....	25	25	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Arcturus.....	40	40	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Snowden.....	25	25	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Grassy Mead.....	40	40	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Hunters.....	25	25	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20
Riverside Park.....	40	40	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Mount Vernon.....	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35	35
Columbia Pike.....	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Arlington.....	15	15	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Rosslyn.....	20	20	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
	20	20	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15

Upper figures, single fare; lower figures, round trip.

Term tickets—Washington, Alexandria, and Rosslyn.

	180 trips (quarterly).	60 trips (monthly).	46 trips (school).	50 trips (family).	25 trips (30 days).	12 trips (workman).	8 trips (package).
Alexander Island.....	\$8. 10	\$3. 00	\$2. 00	.....	\$2. 50	.....	\$0. 90
Arlington Junction.....	10. 13	3. 75	2. 50	\$4. 30	2. 50	.....	. 90
Four Mile Run.....	11. 34	4. 20	2. 80	5. 10	2. 50	.....	. 90
St. Asaph.....	11. 75	4. 35	2. 90	5. 60	2. 50	.....	. 90
Northwest.....	12. 56	4. 65	3. 10	6. 25	2. 50	.....	. 90
Spring Park.....	12. 56	4. 65	3. 10	6. 25	2. 50	.....	. 90
Alexandria.....	12. 56	4. 65	3. 10	6. 25	2. 50	.....	. 90
Columbia Pike.....	10. 25	3. 80	2. 55	4. 35	2. 50	.....	. 90
Arlington.....	10. 25	3. 80	2. 55	4. 35	2. 50	.....	. 90
Rosslyn.....	10. 25	3. 80	2. 55	4. 35	2. 50	.....	. 90

WASHINGTON, D. C., *February 24, 1897.*

To the Senate and House of Representatives of the United States of America in Congress assembled:

The Washington, Alexandria and Mount Vernon Railway Company, pursuant to section 10 of the act of the 10th of June, 1896, submits the following report:

The said company is organized under the laws of the State of Virginia. By the provisions of an act of Congress approved August 23, 1894, the company was authorized to extend its road into the city of Washington. Under these two authorizations it has constructed and operates a system of roads, extending from Thirteen-and-a-half and E streets, in said city of Washington, to the foot of Fourteenth street, a distance of about nine-tenths of a mile, to Alexandria, a distance from said terminus of about $7\frac{1}{4}$ miles; to Mount Vernon, a distance from said terminus of about 15.8 miles; to Rosslyn, a distance from said terminus of about 5.6 miles.

The traffic of the company is almost entirely between the terminus aforesaid and the various points above named, traversing that portion of the road that lies between said terminus and the foot of Fourteenth street, but little of said traffic being local to the city of Washington. As far as was possible that part which pertains to the city of Washington has been specified in the schedule, but because of the facts above stated it is difficult to make an apportionment between the District of Columbia and the various points in the State of Virginia above named; but, in order to comply as far as possible with the requirements of said section 10, the exhibit hereto attached is respectfully submitted.

By section 15 of the act of August 23, 1894, the company is required to make to Congress, through the Commissioners of the District of Columbia, a report. That report has been made to the Commissioners, through whom in due course it will be presented to Congress.

Very respectfully,

G. E. ABBOT.

Capital stock	\$500,000.00
Capital stock paid in	\$500,000.00
Total funded debt	\$600,000.00
Total floating debt	\$35,375.77
Average rate of interest per annum, funded debt.....per cent..	4 $\frac{1}{4}$
Amount of dividends declared	None.
Cost of roadbed, including iron, District of Columbia.....	\$112,614.00
Cost of land, District of Columbia	None.
Fitting up building, District of Columbia	\$1,000.00
Cost of fixtures, District of Columbia	\$385.48
Cost of land damages, District of Columbia	None.
Total cost of car equipment, District of Columbia.....	\$58,400.00
Total cost of road and equipment, District of Columbia	\$171,014.00
Road operated, District of Columbia	miles.. 1.8
Length of double track, District of Columbia.....	miles.. .9
Weight of rail by yard, District of Columbia.....	pounds.. 83
Number of cars, District of Columbia.....	12
Number of motors, District of Columbia.....	6
Total number of passengers, District of Columbia.....	325,286
Average time consumed by cars, District of Columbia.....	minutes.. 5
Repairs of roadbed and railway, including repairs to buildings, etc., District of Columbia	\$490.00
Total cost of maintaining road and real estate, District of Columbia....	\$2,142.23
Cost of general superintendence, District of Columbia.....	\$232.11
Salary of officers, clerks, agents, and office expenses, District of Columbia	\$1,603.56

Wages paid conductors, motormen, and engineers, ¹ District of Columbia, at 20 cents per hour.....	\$1,060.67
Water and other taxes, District of Columbia	None.
Damages to persons and property, District of Columbia	\$35.00
Rents other roads, District of Columbia.....	\$5,005.00
Total expenses operating road and other repairs, District of Columbia..	\$10,078.57
Receipts from passengers, District of Columbia.....	\$7,120.24
Receipts from other sources, District of Columbia.....	\$140.94
Total receipts from all sources, District of Columbia.....	\$7,261.18
Payments for maintenance and repairs, District of Columbia.....	\$2,142.23
Payments for interest.....	\$22,519.84
Payments for dividends.....	None.
Total payments.....	\$204,997.89

Persons injured, District of Columbia: 2 injured, 1 killed.

Cause of injury: First, train struck cart; head cut. Second, swinging on platform, and struck by Belt Line car.

Cause of death: Trespassing on causeway, Long Bridge.

NOTE.—Under our interpretation of the act, the \$490 under “Repairs of roadbed, railway,” etc., is included in the \$2,142.23 under “Total cost of maintaining road and real estate,” and the “Payments for maintenance and repairs” are considered the same as “Total cost of maintaining road and real estate.”

CITY AND COUNTY OF WASHINGTON,
District of Columbia, ss:

Before me, the undersigned, personally appeared G. E. Abbot, president of the Washington, Alexandria and Mount Vernon Railway Company, who, being duly sworn, says that he has read the foregoing report, by him subscribed, and knows the contents thereof, and that the same, together with the exhibits thereto attached, is a true and correct statement of the matters therein set forth, as he verily believes.

Subscribed and sworn to before me this 24th day of February, A. D. 1897.

[SEAL.]

CHARLES S. FLETCHER,
Notary Public.

STATE OF PENNSYLVANIA,
City and County of Philadelphia, ss:

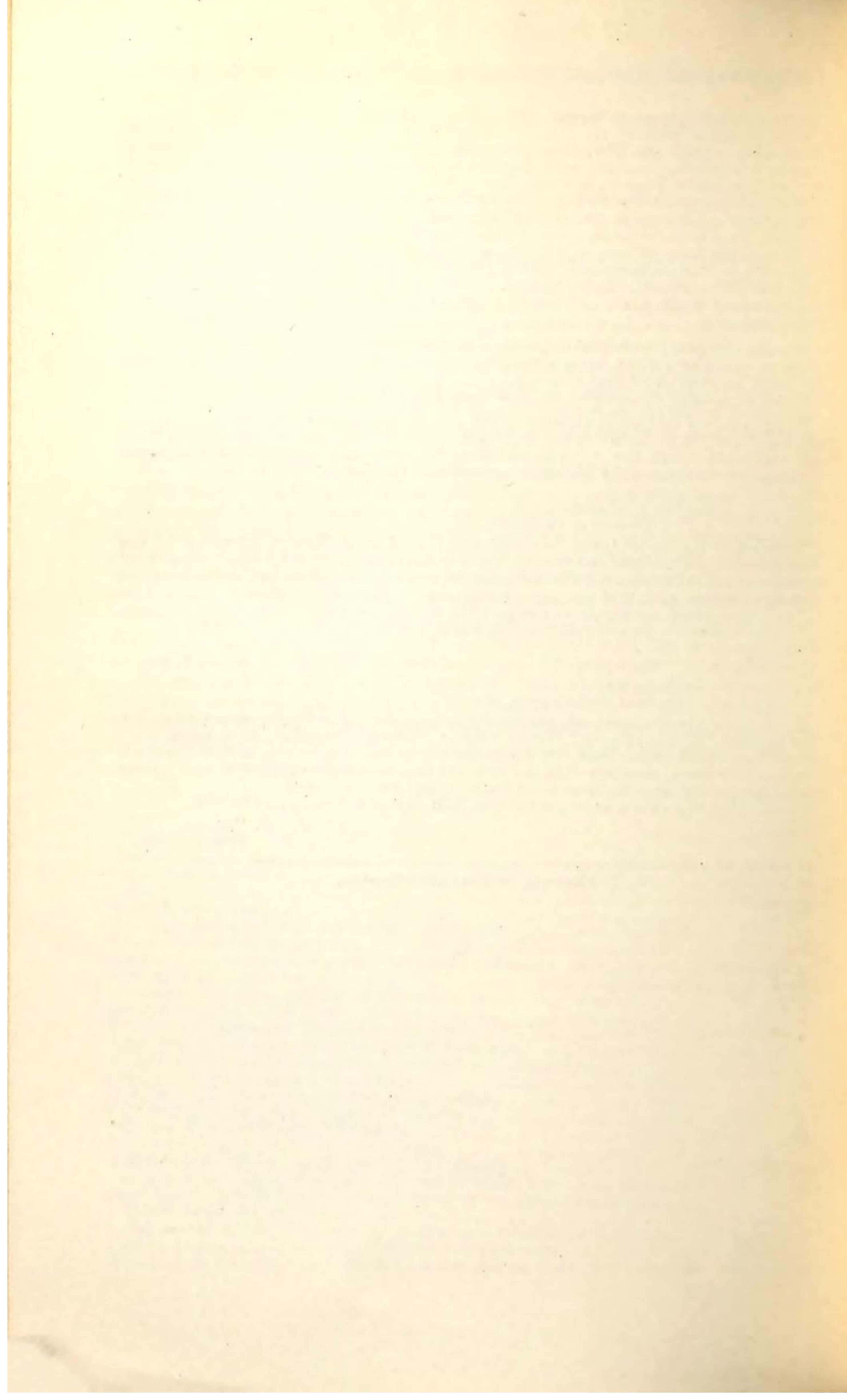
Before me, the undersigned, personally appeared F. K. Hipple, secretary of the Washington, Alexandria and Mount Vernon Railway Company, who, being duly sworn, says that he has read the foregoing report and knows the contents thereof, and that the same, together with the exhibits thereto attached, is a true and correct statement of the matters therein set forth, as he verily believes.

Subscribed and sworn to before me this 25th day of February, A. D. 1897.

[SEAL.]

THOMAS B. PROSSER,
Notary Public.

¹None in District of Columbia.



DR. RICARDO RUIZ.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING,

IN RESPONSE TO SENATE RESOLUTION, FEBRUARY 23, 1897, A
REPORT OF THE SECRETARY OF STATE RELATIVE TO THE
ARREST, IMPRISONMENT, AND DEATH OF DR. RICARDO RUIZ
IN THE JAIL OF GUANABACOA, ON THE ISLAND OF CUBA.

MARCH 2, 1897.—Referred to the Committee on Foreign Relations and ordered to be
printed.

To the Senate:

I herewith transmit a report of the Secretary of State upon a resolution of the Senate relating to the arrest, imprisonment, and death of Dr. Ricardo Ruiz in the jail of Guanabacoa, on the Island of Cuba. Agreeing with the suggestion of the Secretary, I have not thought it compatible with the public interest that the correspondence referred to in the resolution should be communicated pending the public and exhaustive investigation about to be instituted.

Though it seems to be clear that the consul-general should have professional aid in such investigation, that matter, together with the selection of the particular persons to act with him, properly devolves upon my successor in office.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, March 2, 1897.

The PRESIDENT:

I have the honor to submit a report upon a resolution of the Senate, which is in the terms following:

IN THE SENATE OF THE UNITED STATES,
February 23, 1897.

Resolved, That the President be requested to send to the Senate, if, in his opinion, it is not incompatible with the public interests, a statement of such facts as may be in the possession of the State Department concerning the arrest, imprisonment, and

death of Dr. Ricardo Ruiz in the jail of Guanabacoa, on the Island of Cuba, and the correspondence between our Government and Spain, and the correspondence between the State Department and Consul-General Lee on the same subject.

Richard Ruiz, the person referred to in the resolution just quoted, a native-born Cuban, came to this country during the progress of the Cuban insurrection of Yara, which terminated in 1878. He studied dentistry in Philadelphia; in December, 1877, declared his intention to become a citizen of the United States, and in January, 1880, received his final papers as a naturalized citizen from the court of common pleas, county of Philadelphia. Immediately thereafter, in the same year, he returned to Cuba, where he entered upon the practice of his profession as a dentist, and married and reared a family, and where he resided permanently and continuously, without return to the United States, until the time of his death.

On the 4th of this month Ruiz was arrested and thrown into prison on the charge of participation in the capture and robbery of a railroad train. The arrest was reported to the Department by the consul-general by telegraph on the same day, and by letter dated the 5th. Until the 17th nothing more was heard of the case by the Department, which assumed that it was being attended to by the consulate in the regular course; that at the end of seventy-two hours the prisoner would either be put communicado, or, if not that, a proper demand for such relief would be made; and that if such demand were made and were not successful the Department would at once be notified. No measures of the sort were taken, however, though the prisoner remained incommunicado, and on the 17th the consulate reported to the Department that Ruiz had been found dead in his cell under circumstances which justified and led to a demand for immediate investigation.

After such personal inquiry as he was able to make, the consul-general has reported to the Department that Ruiz was placed and was kept for three hundred and fifteen hours in a small, closed, and most filthy cell, 3 feet by 5, having a rough stone floor, with no window, and only a 6-inch square opening in the door for the admission of food, which aperture was kept shut except when so used; that no one was allowed to see him; that he died from neglect or violence; that he became deranged; that an autopsy showed severe contusion on top of head; that he died from congestion of brain; that there was no fracture of the skull; but that all knowledge was confined to officials and that it was difficult to ascertain the facts.

The acting governor-general of Cuba, on the other hand, in a report made to his Government on the 25th instant, after an official inquiry, states that the room in which Ruiz was confined was rectangular in shape, 2 meters and 50 centimeters (8 feet 2 $\frac{1}{2}$ inches) wide, 5 meters and 85 centimeters (19 feet 3 inches) long, and 5 meters and 90 centimeters (19 feet 4 inches) high; that it had a window 1 meter and 10 centimeters (3 feet 7 inches) wide and 45 centimeters (17 $\frac{3}{4}$ inches) high; that the room showed no signs of dampness, was whitewashed, and the floor 1 meter (3 feet 3 $\frac{3}{8}$ inches) above the ground; that he had an easy chair which served him as a bed, with mattress, sheet, coverlets, and pillows; that a blow being heard in his room on the 15th, he was found very much excited with a contusion on the head, and was at once removed to a better room where he could be more easily watched and was placed under medical treatment; that on the 17th he was found by the attendant in the act of butting his head against the grating of the door, and, though quieted by the attendant, shortly after died; that, an autopsy being held, the physicians present concurred in the opinion that death

ensued from cerebral congestion not induced by the wound on the head, which was superficial; and that the prisoner's treatment during confinement was most considerate and better than in the cases of other prisoners, an attendant going to his room whenever called for.

The conclusions of the official representatives of the two Governments being thus radically conflicting, another open and thorough investigation seemed to this Government indispensable. In this view the Spanish Government concurs, as is shown by the following letter to me from the Spanish minister at this capital:

WASHINGTON, *February 27, 1897.*

MR. SECRETARY: General Ahumada, by order of His Majesty's Government, communicates to me by cable from Habana a copy of the telegram he has sent to Madrid in reference to the case of Ricardo Ruiz Ugario, who died in the jail of Guanabacoa.

I inclose to your excellency a copy thereof. From the moment when your excellency gained knowledge of this affair and called my attention thereto I hastened to bring it to the cognizance of the minister of state of the King my sovereign.

The Government of His Majesty comprehended from the very outset, as it could no less than do, the gravity of the charges which have been put forward, not only because Ruiz might have ceased to be a subject (*regnicola*), and as an alien be found to be under the protection of the Spanish laws, and because if he was an American citizen that protection was due to him which Spain desires shall be enjoyed by the citizens of a friendly nation, and to have the benefits of the rights which flow from the international compacts existing between the two countries, but also because such charges affected the national honor and the good name of the Spanish functionaries and took the shape of an attack upon the nation's humanitarian sentiments which it was due to them to vindicate.

The Spanish Government has ordered that a most thorough investigation be made in order to throw light upon the facts, so that if it appear therefrom that there has been culpability or negligence all the weight of the law may fall upon the guilty.

To this end, after receiving General Ahumada's telegram, the Government ordered by cable that a judge be designated, who, in view of the facts charged and communicated by Mr. Taylor, the United States minister at Madrid, shall institute a judicial process in which all the circumstances shall be scrupulously and actively ascertained.

His Majesty's Government wishes, and to that end directs, that the consul of the United States be invited to submit, if he so desires, any evidence which may assist in making the facts clear and of which he may have knowledge, and also to take cognizance of the proceedings in the case.

If the consul of the United States desires to become a party in the proceedings he can do so, and to that end he will be afforded every facility he may need.

In communicating these facts to your excellency I permit myself to call your attention to what General Ahumada says about Ruiz, at the time of his arrest, not declaring that he was an American citizen. It is not the first time that this has occurred, thus delaying and obstructing the proceedings, and although this may not be in point (?) in the present case, it is well to mention it in order that it may be avoided in the future, and thereby also avoid the inconveniences to which the accused parties may be subjected.

It is very difficult to know in many cases, at the time of the arrest, whether the accused is or is not an American citizen if he himself do not declare the fact and claim the jurisdiction to which he is entitled under the protocol of 1877, especially in the case of natives of Cuba who have remained for a short time in the United States and, after having become naturalized, have gone back to Cuba and lived there many years without returning to this Republic.

Ricardo Ruiz, after receiving the degree which permitted him to exercise the dental profession, established himself in Guanabacoa in 1880, and has not since quitted Cuba, as I am informed by General Ahumada.

These circumstances will not influence in any degree, great or small, the investigations about to be undertaken, because the Government of His Majesty, in impartial vindication of justice, and in deference to preoccupied public opinion in Spain, intends that the truth shall be known, whatever be the nationality of Ruiz.

I avail, etc.

Until the results of the full investigation thus agreed upon by the two Governments shall have been reached what further steps should be taken in the matter by the United States can not, of course, be determined. The inquiry should be set on foot and completed with all pos-

sible dispatch, and it would seem to be wise that the consul-general of the United States should be provided with the best legal assistance available, not only in this country but in Habana. Meanwhile, and pending the proposed investigation—which is not unlikely to excite local feeling and which should not be embarrassed or defeated by any forestalling or perverting of testimony—the publication of the correspondence on the subject between this Department and the consul-general at Habana would not seem to be in the public interest.

RICHARD OLNEY.

DEPARTMENT OF STATE,
Washington, March 2, 1897.



M. A. CHEEK.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING,

IN RESPONSE TO SENATE RESOLUTION OF FEBRUARY 24, 1897,
A REPORT FROM THE SECRETARY OF STATE IN RELATION TO
THE CLAIM OF M. A. CHEEK AGAINST THE SIAMESE GOVERN-
MENT, WITH ACCOMPANYING PAPERS.

MARCH 2, 1897.—Referred to the Committee on Foreign Relations and ordered to be
printed.

To the Senate:

I transmit, herewith, in response to the resolution of the Senate of February 24, 1897, a report from the Secretary of State in relation to the claim of M. A. Cheek against the Siamese Government, with accompanying papers.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, March 2, 1897.

The PRESIDENT:

In answer to the resolution of the Senate, dated February 24, 1897, requesting that that body be furnished with "all the information in possession of the Department of State relating to the claim of M. A. Cheek against the Siamese Government," I have the honor to say that the correspondence on file in this Department relating to the claim of M. A. Cheek against Siam is so voluminous that it is physically impossible to place copies of it before the Senate during the continuance of the present session. There are not less than 2,000 pages of typewritten matter. The resolution, moreover, does not call specifically for correspondence, but for information. I submit, therefore, as a substitute for the full correspondence, a brief synopsis of the case, together with copies of the most recent communications that have passed between the two Governments.

SYNOPSIS.

April 23, 1889, Dr. M. A. Cheek, a citizen of the United States, residing in Siam, entered into the following agreement with Prince Warawan Nakorn, who represented the Government of Siam:

First. That His Royal Highness Prince Warawan Nakorn, agrees to advance to Dr. M. A. Cheek the sum of 600,000 ticals to be used in the working of teak forests and the purchasing of teak wood.

Second. That Dr. M. A. Cheek shall, by way of security, execute a bill of sale mortgage in favor of His Royal Highness Prince Warawan Nakorn, on all teak wood now belonging to Dr. M. A. Cheek, according to a schedule accompanying this agreement, and on all teak wood which may be worked or purchased by him during the currency of this agreement; also on 76 elephants now belonging to Dr. Cheek and on all elephants which may be purchased by, or which may become the property of Dr. M. A. Cheek during the currency of this agreement. Dr. Cheek shall pay to His Royal Highness Prince Warawan Nakorn, interest at the rate of $7\frac{1}{2}$ per cent per annum, on all moneys advanced to him by His Royal Highness Prince Warawan Nakorn.

Third. That Dr. Cheek will deliver at Bangkok, at an estimated price of 3 pikot, all wood, which may be worked or purchased by him; upon the arrival of the wood at Bangkok the estimated price of 3 pikot shall be released and Dr. Cheek may at any time after such delivery draw from His Royal Highness Prince Warawan Nakorn the amount of money so released for carrying on the work up country.

Fourth. That at the end of each season (about the 31st of March) Dr. Cheek shall make up his books and render a statement of the amount of wood in stock, the value of such wood, and the actual cost of wood delivered at Bangkok during the season; the difference between the actual cost of the wood delivered at Bangkok and the estimated cost of 3 pikot shall be debited or credited as the amount may be found to be greater or less than the estimated cost of 3 pikot. In reckoning the cost of the wood delivered at Bangkok, Dr. Cheek shall include all expenses incurred in the handling of the wood. Dr. Cheek shall receive no salary.

Fifth. That Dr. Cheek shall have the management of the working of the teak forests, and of the buying and selling or disposing of the wood. Dr. Cheek will sell the wood at Bangkok, or will cut up and ship the wood as may be most profitable to the parties to this agreement, provided that the wood is not sold at a price of less than 3 pikot. Dr. Cheek shall not sell the wood at a less rate than 3 pikot, except with the knowledge of His Royal Highness Prince Warawan Nakorn. If the wood can not be sold at a price amounting to 3 pikot, His Royal Highness Prince Warawan Nakorn shall have the option of taking the wood over the rate of 3 pikot, or disposing of it.

Sixth. That Dr. Cheek shall make up the books of the teak business on the 31st of March of each year, and the profits realized shall be divided as follows: His Royal Highness Prince Warawan Nakorn shall receive one-third and Dr. M. A. Cheek shall receive two-thirds of the net profits.

Seventh. That during the currency of this agreement all forest leases now held by Dr. Cheek, or which may be acquired by him, shall become the property of His Royal Highness Prince Warawan Nakorn.

Eighth. That all teak wood now held by Dr. Cheek (except 4,400 logs to be delivered to the Borneo Company, Limited) and all wood worked by him during the currency of this agreement shall be dealt with according to the terms of this agreement.

Ninth. That this agreement shall remain in force for a period of ten years from the date of signing unless Dr. Cheek shall at any time settle up the account and pay to His Royal Highness Prince Warawan Nakorn such sums of money as may be due to His Royal Highness Prince Warawan Nakorn from him.

Tenth. That Dr. Cheek shall, from time to time, advise His Royal Highness Prince Warawan Nakorn of all transactions connected with the working and purchasing and selling of the wood.

Eleventh. It is hereby agreed that no liabilities for losses incurred in the management of the business shall be shared by His Royal Highness Prince Warawan Nakorn.

WARAWAN NAKORN.
MARION A. CHEEK.

Witness:

DEVAWONGSE.

On the same day Cheek executed to the same representative of Siam the following instrument, which is designated by the parties as a "bill of sale mortgage."

I, Marion A. Cheek, resident of Chiangmai, for and in consideration of the sum of six hundred thousand (tls. 600,000) ticals to be paid to me and on my account by

H. R. H. Prince Warawan Nakorn, according to the terms of articles of agreement drawn up and signed this 23rd day of April, 1889, by and between H. R. H. Prince Warawan Nakorn of the first part and Marion A. Cheek of the second part, do hereby grant and sell unto H. R. H. Prince Warawan Nakorn and his assigns forever the teak wood and elephants according to a schedule hereto annexed, the said teak wood and elephants being my lawful property.

Provided, nevertheless, and this mortgage is upon the condition that if the said M. A. Cheek shall pay or cause to be paid to H. R. H. Prince Warawan Nakorn, or his assigns, the said sum of six hundred thousand (tls. 600,000) ticals with interest thereon at the rate of seven and one half ($7\frac{1}{2}$ per cent) per cent per annum from the date of the payment of the same to M. A. Cheek or on his account by H. R. H. Prince Warawan Nakorn, then this mortgage shall be void, otherwise to remain in full force and effect.

And provided further, That until default be made by M. A. Cheek in the performance of the conditions of this mortgage or, in the performance of the conditions of the said articles of agreement for the working of teak wood drawn up and signed this 23rd day of April, 1889, by and between H. R. H. Prince Warawan Nakorn and M. A. Cheek, it shall be lawful for M. A. Cheek to retain possession of and to have the management of the said teak wood and elephants, to use the same for the joint benefit of H. R. H. Prince Warawan Nakorn and M. A. Cheek according to the conditions of the said articles of agreement hereinbefore mentioned.

M. A. CHEEK.

Witness:

DEVAWONGSE.

(Here follows a list of Cheek's property to which the lien was to attach.)

The amount named in the above-quoted instruments, to wit, ticals 600,000, was paid to Cheek. January 23, 1890, the Siamese Government advanced Cheek ticals 200,000 additional, upon terms set forth in the following instrument:

This agreement, made the 23rd day of January, 1890, supplementary to the agreement of the 23rd of April, 1889, between His Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse of the one part, and Dr. M. A. Cheek of the other part.

Whereas under the agreement of the 23rd of April, 1889, entered into between His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse and the said Dr. Cheek, a sum of six hundred thousand ticals (tls. 600,000) was advanced to the said Dr. M. A. Cheek by His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse for the purposes specified therein; and whereas the said Dr. Cheek is now desirous to have a further advance of two hundred thousand ticals (tls. 200,000) in addition to the sum of six hundred thousand ticals (tls. 600,000) already advanced by His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse under the agreement aforesaid; and whereas His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse agrees to advance the same;

Now it is mutually agreed between the said parties as follows:

First. That for the considerations already expressed and specified in the aforementioned agreement of the 23rd of April, 1889, His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse advances the sum of two hundred thousand ticals (tls. 200,000) to the said Dr. M. A. Cheek (of which receipt is hereby acknowledged), and the said Dr. M. A. Cheek hereby agrees and promises to pay to His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse interest at the rate of seven and a half ($7\frac{1}{2}\%$) per cent per annum on the said sum of two hundred thousand ticals (tls. 200,000).

Second. That as a security for the payment of the said sum of two hundred thousand ticals (tls. 200,000) so advanced by His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse the said Dr. M. A. Cheek hereby agrees to mortgage, under the bill of sale hereto annexed, all his properties as specified in the schedule attached to the bill of sale to the said His Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse.

Third. That the provisions of Clauses II, III, IV, V, VI, VII, VIII, IX, and X of the aforesaid agreement of the 23d of April, 1889, entered into between the said Dr. M. A. Cheek and His said Royal Highness Prince Krom Mun Naradhip Prabhandhbhongse shall in all respects be applicable to this present agreement as if they were inserted therein, in so far as they are not contrary to the terms of this present agreement.

In witness whereof, the parties hereto have signed and sealed this present agreement on the date first above written.

NARADHIP.
M. A. CHEEK.

Witness:

DEVAWONGSE.

Estimating a tical to be worth 50 cents in currency of the United States the whole amount advanced to Cheek by Siam upon the terms set forth in the contracts quoted was \$400,000.

It appears from Cheek's memorial that he had, previous to any of these agreements with Siam, leased large tracts of teak forest in upper Siam, which he needed capital to work. The capital needed was furnished to him by the Government of Siam, as above shown. In explanation of the legal effect of his contracts with Siam Cheek sets forth the usages of the industry upon which he entered in Siam. It requires, according to his statement, about three and a half years to get a log of teak timber from the stump to the market in Bangkok. The logs are first girdled, then cut, and then dragged to the nearest stream by elephants. Thence they are floated, first singly and afterwards in rafts, down these streams into the main river, which carry them to Bangkok. In the dry season the small streams are too shallow to float the logs, and they lie where they are cut until the arrival of a season of sufficient water to float them.

At the time of his agreement with Siam, Cheek had logs in all stages of progress toward the market. At the end of the first year of his contract with Siam he paid the interest for that year upon the money advanced. The second year, ending March 31, 1891, was a dry year and very little timber was got into market. Cheek was compelled to employ the proceeds of his second year's sales in keeping up the work in the forests, it being necessary to make advances to his employees and subcontractors. In view of these facts the Siamese Government indulged Cheek in consideration of his promise to pay compound interest on the advancement for the second year—that is, the interest due was added to the principal.

The next season, ending March 31, 1892, was worse than the preceding, and Cheek failed a second time to pay the interest on the Siamese advancement. The proceeds of his sales for that year were in fact insufficient to keep the forest work going on, and he was compelled to raise additional funds by some means. He had at this time, according to his statement, a sufficient quantity of logs in the forests and in the streams to pay, when sold, the full amount of the advancement made to him by Siam, both principal and interest, and to leave a handsome surplus for himself.

Cheek endeavored to get money from the Bombay-Burmah Trading Corporation by a sale for cash of logs to be delivered the following season (1892-93). Since Cheek's agreement with Siam compelled him to dispose of his logs in a manner therein specified, his proposal to the Bombay-Burmah Trading Corporation required the sanction of the Siamese Government, which was refused. Cheek then sought relief from another lumber company called the Borneo Company, and made with that company a provisional arrangement by which for a reasonable commission, in addition to the actual cost of transportation, that company undertook to transport during the coming season all the teak logs in the water at the time of the negotiation, and all others which Cheek might be able to put into the water. He had at that time 12,000 logs in the streams and hoped to put in 8,000 more, making in all 20,000 logs to be transported by the Borneo Company. Cheek valued these logs at rupees 48 to 50 each, and he expected to raise on them at least rupees 576,000,—estimating the rupee at 33½ cents, amounting to about \$192,000. This provisional arrangement was also subject to the ratification of the Siamese representative, and was rejected by him.

Cheek was then left without funds to pay the interest on the Siamese

advance or to continue his work. August 20, 1892, the Siamese Government notified our consul-general at Bangkok that all of Cheek's timber arriving after that date would be taken over as the property of the Government. At the same time a Government official seized the logs already in Bangkok and others belonging to Cheek which had reached a place higher up the river called Chainat. This official continued to seize logs as they came down. September 11, 1892, the Siamese representative telegraphed Cheek, who was up in the forest country:

Wood received. Will be sold at public auction. Proceeds in bank until your settlement.

Cheek protested, but in vain.

Cheek claims that under his contracts with the Siamese Government, as construed in accordance with the usages of the enterprise in which he was engaged, annual interest was to be paid upon the money advanced to him only when the season had been good and he was able to raft his logs. In bad years the partner or lender who had advanced the capital was required by local custom to let the interest go over until a good season, when all past dues would be liquidated. Failure to pay interest at the end of a year in which it was impracticable to market the timber was not, Mr. Cheek claims, a breach of contract justifying any proceeding in the nature of foreclosure.

Cheek makes the further point that the summary method adopted by the Siamese Government was unlawful and injurious to him, even if he had been legally in default.

The logs seized by the Siamese Government were sold at auction at much less than their value, and the proceeds appropriated by the Government. The next season, the winter of 1892-93, proved to be favorable for rafting timber, and had Cheek been permitted to go on with his work without molestation from the Government he would have been able to bring down all the logs he had cut, in value as estimated by him of rupees 640,000, about \$214,000. Even if the logs had been held in Bangkok without sale, they could have been used as a basis of credit under Clause III, of the agreement to the extent of rupees 380,000—about \$126,666—an amount in excess of all that the Siamese Government could, at that time, by any construction of the agreement have claimed from Cheek. But for this premature, arbitrary, and illegal action of Siam, Mr. Cheek contends he would have been able to provide for current expenses, to pay off all interest due, and 100,000 rupees of the principal debt, besides keeping up the credit with his foresters and contractors which he had been so many years building up and carefully maintaining.

Not content with the summary seizure of all Cheek's logs that came down the river, the Siamese Government, July 15, 1893, published the following royal proclamation:

July 15, 1893, Chow Mun Rajabut, chief of the mahathai (department of the north), and commanding officer of the province of Chiangmai, has received orders from Phya Song Suradet, chief commissioner of the Lav Chiang States, that the following notice be published:

Whereas the minister of the royal treasury has sent an official letter No. 596/5892 dated the 9th September, 1892, contents as follows:

"Formerly Dr. M. A. Cheek made a written agreement and borrowed a large amount of money from the royal finance department for the purpose of working forests, and mortgaged forests, wood in forests and in streams, elephants, implements for forest work and debtors all and singular as security for the royal treasury with sundry conditions as set forth in said agreement.

"Afterwards Dr. M. A. Cheek violated the agreement in many particulars. Therefore Chow Mun Mahatlek was appointed commissioner of the royal treasury, with

full power of attorney to act for the minister of finance in the province of Chieng-mai. Therefore, anyone a debtor or creditor of Dr. M. A. Cheek, or who has charge of elephants or teak wood or implements for forest work, let him report to Chow Mun Mahatlek, commissioner at Chiengmai of the royal treasury, within the period of fifteen days from the date of this notice. If anyone is a debtor or has charge of elephants or teak wood or implements for forest work, let him give a correct report to the commissioner within the time appointed. The commissioner will deduct, relinquish, forego a suitable portion (of the debt). If afterwards it be ascertained that elephants, wood, implements for forest work, or debtors be concealed, secreted, removed, or falsely reported, and proper account be not rendered to the official, the said officer will prosecute in court (such offender), and they will be fined according to the law."

(SEAL OF CHOW RAJABUT.)

This embargo completed the demolition of Cheek's business, and left him a ruined man in the midst of the fourth year of his ten-year contract with Siam.

The questions which, according to the claimant, are involved are (1) the legal relations of the two parties to the contract—whether Cheek was a partner with Siam or a mere borrower of money; (2) whether Cheek was legally in default at the time the Siamese Government seized and sold the logs and published the manifesto of July 15, 1893; (3) whether the Siamese Government adopted a lawful remedy in case it should be found that Cheek was in default and was liable to a legal proceeding for the recovery of money due that Government.

In relation to the third point, it is contended for Cheek that the local law of Siam provided an adequate judicial remedy against him; and that the consular court of the United States was also a forum clothed with powers ample for the purpose of enforcing his obligations to Siam. The summary method of proceeding resorted to by Siam was, Cheek claims, in violation of Siamese law and also of the treaty between Siam and the United States. Cheek's losses are estimated by him at rupees 1,607,331 (\$535,777). From this amount he deducts the principal and unpaid interest of the Siamese advancement to him, amounting to rupees 1,266,218, leaving a total claimed by Cheek as damages of rupees 341,113 (\$113,704).

THE SIAMESE REPLY.

The Siamese Government has filed an elaborate reply to Cheek's claim, and alleges large indebtedness on the part of Cheek's estate as still existing and unpaid. According to the statement of Siam, Cheek was deeply in debt when the Siamese Government came to his relief in 1889. A considerable portion of the 800,000 ticals advanced to him was paid to his creditors and the residue thereof was applied to the timber business. On his first failure to pay interest (March 31, 1891) he was given as a favor another year in which to pay it. At the end of the second year (March 31, 1892) Cheek not only was unable to pay the accrued interest for the two preceding years, but he had not sufficient funds to continue the business, and was unable to raise money except by methods which involved the Siamese Government as his surety. Seeing that his financial condition was hopeless and that the only means of obtaining repayment of even a part of the money advanced to him was by immediate action, the Siamese Government decided to seize such timber as should come down the river and apply the proceeds to the indebtedness. The argument for Siam apologizes for, rather than defends, the order of July 15, 1893, which placed an embargo upon Cheek's business and destroyed it.

Siam's view of the case is apparently that when Cheek violated the conditions on which money was advanced to him by failing to pay the

interest accrued thereon, the transfer of property made in the "bill of sale mortgage" became absolute, so that Siam in seizing the logs seized the property of the Government, and not the property of Cheek. It is declared in the Siamese argument that there is no law of mortgages in Siam, and therefore no procedure in the nature of foreclosure; that seizure and appropriation by an officer of the Royal treasury was the legitimate and the only method of enforcing the rights of Siam as against Cheek in this case.

Cheek had, besides the logs seized by Siam, other property in upper Siam, which was also included in the "bill of sale mortgage." This property was not seized by the Siamese Government, and when Cheek died it went into the hands of his administrator. Siam contends not only that the seizure of Cheek's logs and the other acts of the Government were lawful, but that the proceeds derived therefrom were insufficient to pay Cheek's indebtedness to Siam. The property now in the hands of Cheek's administrator is claimed by Siam as being subject to the "bill of sale mortgage" above referred to, and responsible for the amount of indebtedness still unliquidated. In other words, Siam has presented a counterclaim against Cheek.

NATURE OF THE CASE, NOT THE MERITS STATED.

I have undertaken in this brief outline of the Cheek case to show the nature only of the controversy, and not to indicate the merits of either claimant. The merits of the case can be determined only from a study of the entire mass of evidence and consideration of the elaborate arguments filed on both sides. These will be presented later should the Senate desire, after reading this brief review of the case, to take it upon its merits.

I append hereto copies of the recent correspondence, which will show the present status of the negotiation for the settlement of this claim. The two Governments have agreed substantially upon settlement by arbitration, but the details and formalities remain to be completed.

Respectfully submitted.

RICHARD OLNEY.

DEPARTMENT OF STATE,
Washington, March 1, 1897.

List of inclosures.

1. Mr. Olney to Mr. Barrett, No. 79, October 15, 1896.
2. Mr. Olney to Mr. Barrett (telegram), December 19, 1896.
3. Mr. Barrett to Mr. Olney, No. 153, December 29, 1896.
4. Mr. Olney to Mr. Barrett (telegram), January 9, 1897.
5. Mr. Barrett to Mr. Olney (telegram), January 11, 1897.
6. Mr. Olney to Mr. Barrett (telegram), January 19, 1897.
7. Mr. Olney to Mr. Barrett (telegram), February 1, 1897.
8. Mr. Barrett to Mr. Olney (telegram), February 2, 1897.
9. Mr. Olney to Mr. Barrett (telegram), February 5, 1897.
10. Mr. Barrett to Mr. Olney (telegram), February 16, 1897.
11. Mr. Olney to Mr. Barrett (telegram), February 17, 1897.
12. Mr. Barrett to Mr. Olney (telegram), February 27, 1897.

CORRESPONDENCE.

Mr. Olney to Mr. Barrett.

No. 79.]

DEPARTMENT OF STATE,
Washington, October 15, 1896.

SIR: Your dispatch, No. 137, of August 19, 1896, in relation to the claim of Dr. M. A. Cheek against the Siamese Government, has been received.

In this and in previous dispatches the Government of Siam has expressed a desire to have the matter of this claim submitted to arbitration, on condition that the Siamese counterclaim against the estate of Dr. Cheek shall be included in the submission and considered by the arbitrator. The Siamese claim against Cheek is supposed to relate to an unpaid balance of Cheek's indebtedness to that Government, which was not liquidated by the appropriation of Cheek's property under royal order in 1892 and 1893, which act of appropriation is the subject-matter of Cheek's complaint.

Dr. Cheek made his claim for damages against the Siamese Government subject to deduction of the amount which he—or his estate, now that he is dead—owes that Government. The proposition of Siam is therefore assumed to be that in case the arbitrator shall find that Cheek's indebtedness to Siam exceeds the amount of damages awarded him in consequence of the injurious action of the Siamese Government, the arbitrator shall have authority to make an award against Dr. Cheek's estate in favor of the Siamese Government for the amount of such excess.

You are instructed to ascertain from the Siamese minister of foreign affairs and to report at once whether the suggestion of the Siamese Government is rightly understood in the sense above explained.

I am, etc.,

RICHARD OLNEY.

Mr. Olney to Mr. Barrett.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 19, 1896.

Cable answer to instruction 79.

OLNEY.

Mr. Barrett to Mr. Olney.

No. 153.]

LEGATION OF THE UNITED STATES,
Bangkok, Siam, December 29, 1896. (Received Feb. 12, 1897.)

SIR: I have the honor to inclose copies of correspondence passed between the foreign minister and myself in regard to the question raised in your esteemed No. 79 in regard to the arbitration of the Cheek case.

After receiving your instructions, as intimated in my 150, of December 23, I pressed the foreign minister for an answer, with what result you now see. * * *

I hardly feel as if I am warranted in cabling as much as it would appear would be necessary to explain the latest attitude of Siam. I shall try again to get a briefer and more explicit reply to your question, but if I fail I may only cable you that the Siamese Government desires you to await the receipt of the inclosed letters.

I have, as the correspondence will prove, to have them cable their consul-general their full answer if they did not feel like making it briefer for me, but now the foreign minister claims a misunderstanding and seems to oppose any cabling.

In my reply which I shall send to the foreign minister's arguments about former propositions of arbitrations, etc., I shall feel constrained almost to inform him that rehashing old contentions already extensively and exhaustively discussed is not pertinent, nor is it of any advantage. * * *

I have, etc.,

JOHN BARRETT,
Minister Resident.

[Inclosure 1 in No. 153.]

Mr. Barrett to the Foreign Minister.

LEGATION AND CONSULATE-GENERAL
OF THE UNITED STATES OF AMERICA,
Bangkok, December 14, 1896.

MONSIEUR LE MINISTRE: Referring to an interview of recent date, I have now the honor to forward to you a formal note covering the matter then under discussion—a certain phase of proposed arbitration of the Cheek case.

I will now provide you with an extract from instructions received by me from the Honorable Richard Olney, Secretary of State of the United States, as follows:

* * * "The Government of Siam has expressed a desire to have the matter of his claim submitted to arbitration on condition that the Siamese counterclaim against the estate of Dr. Cheek shall be included in the submission and considered by the arbitrator. The Siamese claim against Cheek is supposed to relate to an unpaid balance of Cheek's indebtedness to that Government which was not liquidated by the appropriation of Cheek's property under royal order in 1892 and 1893, which act of appropriation is the subject-matter of Cheek's complaint.

"Dr. Cheek made his claim for damages against the Siamese Government subject to deduction of the amount which he (or his estate, now that he is dead) owes that Government. The proposition of Siam is therefore assumed to be that in case the arbitrator shall find that Cheek's indebtedness to Siam exceeds the amount of damages awarded to him in consequence of the injurious action of the Siamese Government, the arbitrator shall have authority to make an award against Dr. Cheek's estate in favor of the Siamese Government for the amount of such excess.

"You are instructed to ascertain from the Siamese minister of foreign affairs and to report at once whether the suggestion of the Siamese Government is rightly understood in the sense above explained."

Your royal highness will please be good enough to inform me at your first convenient opportunity if the assumption above outlined is correct or not, in order that I may immediately inform my Government, and thus facilitate an early understanding as to an acceptable basis of arbitration.

Your royal highness will please accept my renewed assurance of high consideration.

I have, etc.,

JOHN BARRETT, *Minister Resident.*

[Inclosure 2 in No. 153.]

Foreign Minister to Mr. Barrett.

FOREIGN OFFICE, *December 24, 1896.*

MONSIEUR LE MINISTRE: I have the honor to acknowledge the receipt of your letter of the 16th instant providing me with an extract from instructions received by you and relating to the proposed arbitration of the Cheek case.

I stated with pleasure that the principle of settling this case by arbitration, which I proposed in the name of His Majesty's Government, is admitted by the Government of the United States. As to the question whether the suggestion of the Siamese Government is rightly understood in the sense explained in the dispatch of the Honorable Richard Olney, whereof you kindly transcribe an extract, I regret to say that I can not accept the expressions "appropriation of Cheek's property" as corresponding with the views of His Majesty's Government on their own action, and that I can not consider as correct the following assumption of Siam's proposition: "That in case the arbitrator shall find that Cheek's indebtedness to Siam exceeds the amount of damage awarded to him, in consequence of the injurious action of the Siamese Government, the arbitrator shall have an authority to make an award against Dr. Cheek's estate in favor of the Siamese Government for the amount of such excess."

If this assumption were accepted by my Government as a right explanation of their views, it would follow that we admit as well founded Dr. Cheek's complaint of an alleged "injurious action" of this Government, and his claim for damages on his account. I, on the contrary, am bound to state that His Majesty's Government never made such admission, and that the very first question which we propose to submit to arbitration is whether the action of this Government in attaching timber mortgaged to them as the only means of getting back their advances was or was not justified by Dr. Cheek's own repeated breaches of contract, and consequently whether Dr. Cheek is entitled in principle to claim any damages on account of said action.

It is only when this first question will have been decided by the arbitration court that it will be possible to decide whether and for what amount the balance of all accounts between this Government and Dr. Cheek (or Dr. Cheek's estate) is in favor of the former or of the latter.

Accept, etc.,

DEVAWONGSE,
Minister for Foreign Affairs.

[Inclosure 3 in No. 153.]

Mr. Barrett to foreign minister.

LEGATION AND CONSULATE-GENERAL
OF THE UNITED STATES OF AMERICA,
Bangkok, December 26, 1896.

MONSIEUR LE MINISTRE: In our conversation of Thursday, December 24, your royal highness kindly consented to exchange with me copies of cablegram to be forwarded, respectively, to the Department of State of the United States and the Siamese consul-general, in answer to the inquiry of the Department of State, touching the proposed arbitration of the Cheek case, transmitted to your royal highness in my note of the 16th instant and answered in your letter of December 24.

If your royal highness will now, therefore, be good enough to provide me, as soon as convenient, with such copy of message, I will, upon the receipt thereof, provide you with a copy of mine.

Your royal highness will please accept my assurance of high consideration.

I have, etc.,

JOHN BARRETT, *Minister Resident.*

[Inclosure 4 in No. 153.]

Foreign minister to Mr. Barrett.

FOREIGN OFFICE, *December 28, 1896.*

MONSIEUR LE MINISTRE: I am afraid that there was some misunderstanding between us about the result of our conversation of the 24th instant. I had no idea of sending any cablegram to our consul-general, except to assist you in communicating with your own Government. I thus agreed that if you would show me how you would wire briefly to your Department of State, and referring to my cablegram to our consul-general at New York, I could oblige you by going to the expense of telegraphing fully the statement of our views.

As for myself, I can only repeat that I do not feel the necessity of telegraphing at all to our consul-general. His Majesty's Government are certainly anxious to arrive at the constitution of the arbitration court, and as proof of their earnest wish in this respect I beg to remark that when the idea of an arbitration was emitted nearly three years ago by Mr. Eaton, acting consul-general of the United States, in a letter which he addressed to me on the 21st of January, 1893, I at once accepted

the proposal. The matter might thus have been considered as settled between both Governments nearly three years ago if Dr. Cheek had not simply refused to agree with this mode of just and friendly settlement. Since then the proposal of arbitration was renewed by His Majesty's Government more than one year ago, and repeatedly insisted on in my letters to you. But it is only on the 14th instant that you intimated your Government's acquiescence to the idea. This seems to indicate that, at least in the opinion of your Government, there is no such urgency in the case that we should recur to an expensive exchange of telegrams about the terms in which the case for Siam was stated in your letter of the 14th instant. I therefore beg to propose that you inform his excellency the Secretary of State that there is some difference between his statement of our case and ours, and that you send him by the next mail copy of our correspondence.

May I ask you by the same opportunity if you have already received instructions about the way in which your Government proposes to constitute the arbitration court and the procedure to be followed?

Accept, etc.,

DEVAWONGSE,
Minister for Foreign Affairs.

Mr. Olney to Mr. Barrett.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 9, 1897.

Cable answer Cheek case.

OLNEY.

Mr. Barrett to Mr. Olney.

[Telegram.]

BANGKOK, January 11, 1897.

Siam holds arbitrator first decides whether action attaching mortgaged timber as only means recovering advances was justified by Cheek's breaches contract; hence whether Cheek entitled in principle claim any damages; then only possible decide whether and what amount balance all accounts between Siam Cheek favor former. Latter protests your expression appropriation and injurious action. The proposal prejudicial Cheek particularly "only means."

BARRETT.

Mr. Olney to Mr. Barrett.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 19, 1897.

Cable 11th not understood. Arbitration must cover all disputed questions of fact or law. Hasten agreement. Answer inquiry October 15.

OLNEY.

Mr. Olney to Mr. Barrett.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 1, 1897.

Continue to press arbitration or reference. When full details received here further course can be determined if need be.

OLNEY.

Mr. Barrett to Mr. Olney.

[Telegram.]

BANGKOK, *February 2, 1897.*

Siam agrees Cheek arbitration in acceptable form, except hold arbitration shall include administration of estate, which is new issue. Shall I accept and close matter?

BARRETT.

Mr. Olney to Mr. Barrett.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 5, 1897.

* * * * *
Cheek arbitration—which first sentence mine 1st instance relates to—should be kept separate from Kellett Case. Yours February 2 received. Accept and close on basis indicated, if Cheek estate only and not United States is to respond to any award favor Siam.

OLNEY.

Mr. Barrett to Mr. Olney.

[Telegram.]

BANGKOK, *February 16, 1897.*

Cheek arbitration satisfactorily settled. I await your instructions constitution of the tribunal of arbitration.

BARRETT.

Mr. Olney to Mr. Barrett.

[Telegram.]

DEPARTMENT OF STATE,
February 17, 1897.

Will Cheek estate and Siam consent one arbitrator, say governor Straits Settlements, or other suitable person near by.

OLNEY.

Mr. Barrett to Mr. Olney.

[Telegram.]

BANGKOK, *February 27, 1897.*

Negotiations on selection arbitrator Cheek Case proceeding favorably. It will be agreed to shortly. * * *

[Rest of telegram relates to other matters.]

BARRETT.

REPORT OF THE EXCISE BOARD OF THE DISTRICT OF COLUMBIA.

MARCH 3, 1897.—Referred to the Committee on the District of Columbia and ordered to be printed.

The VICE-PRESIDENT presented the following

LETTER FROM THE COMMISSIONERS OF THE DISTRICT OF COLUMBIA, TRANSMITTING A REPORT OF THE EXCISE BOARD OF THE DISTRICT OF COLUMBIA FOR THE YEAR ENDING OCTOBER 31, 1896.

OFFICE OF THE COMMISSIONERS
OF THE DISTRICT OF COLUMBIA,
Washington, March 3, 1897.

SIR: The Commissioners of the District of Columbia have the honor to transmit herewith a report of the excise board of the District of Columbia for the license year ending October 31, 1896.

Very respectfully,

JOHN W. ROSS,
President Board of Commissioners District of Columbia.

Hon. A. E. STEVENSON,
President of the Senate.

OFFICE OF THE EXCISE BOARD
OF THE DISTRICT OF COLUMBIA,
Washington, March 3, 1897.

SIR: The excise board of the District of Columbia has the honor to submit, in compliance with section 2 of an act of Congress approved March 3, 1893, entitled "An act regulating the sale of intoxicating liquors in the District of Columbia," a report of the operations of said board for the license year ending October 31, 1896. During said year, which commenced November 1, 1895, the board granted 559 barroom licenses, comprising hotels, clubs, and ordinary barrooms, and 163 wholesale liquor licenses, including groceries, bottlers, brewers' agents, confectioners, and strictly wholesale places. The number of barroom applications rejected during said period was 67, and the number of wholesale liquor applications unfavorably acted on was 17.

Number of licensed liquor places in each police precinct.

	Precinct.									Total.
	1	2	3	4	5	6	7	8	9	
Barrooms	119	57	42	80	56	121	40	12	32	559
Wholesale	27	29	19	10	13	25	23	6	11	163
Total	146	86	61	90	69	146	63	18	43	722

From November 1, 1896, to March 2, 1897, 540 applications for bar-room licenses were granted and 21 were rejected; 145 applications for wholesale liquor licenses were favorably acted upon and 7 were rejected.

From March 3, 1896, to March 2, 1897, 30 persons were convicted of violating the excise law.

The amount of fines imposed during the above period was \$7,600, of which \$700 has been collected, leaving \$6,900 of said amount uncollected, and this is accounted for because many convicted of violating the law serve out a workhouse sentence, and in a great many convictions personal bonds were taken.

Statement of liquor cases disposed of from 1893 to 1896.

	Cases.		
	1893-94.	1894-95.	1895-96.
Barrooms—			
Allowed.....	639	605	559
Rejected.....	57	52	67
Wholesale—			
Allowed.....	174	172	163
Rejected.....	14	11	17

Very respectfully,

J. HARRISON JOHNSON,
JAMES A. BATES,
S. T. G. MORSELL,

Excise Board of the District of Columbia.

Hon. ADLAI E. STEVENSON,
President United States Senate.

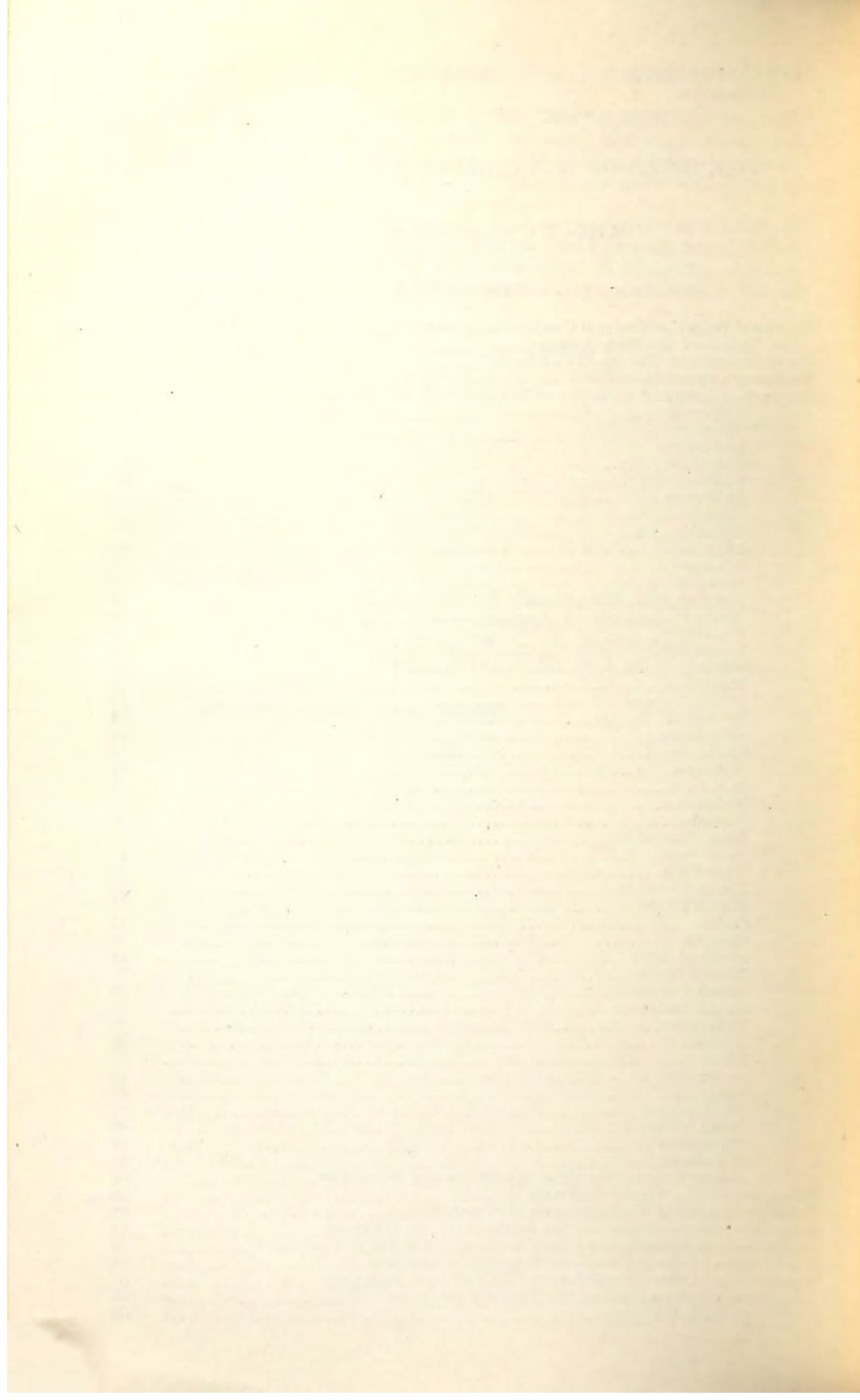
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THE NEED OF A NATIONAL BANKRUPTCY LAW.

MARCH 3, 1897.—Ordered to be printed.

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THE NEED OF A NATIONAL BANKRUPTCY LAW.

Mr. WARREN presented the following

MEMORIAL FROM THE NATIONAL CONVENTION OF THE REPRESENTATIVES OF THE COMMERCIAL BODIES OF THE UNITED STATES REVIEWING THE INSOLVENCY LAWS AND STATISTICS OF THE INDUSTRIAL AND COMMERCIAL FAILURES OF THE SEVERAL STATES; GIVING A SUMMARY OF THE TORREY BANKRUPTCY BILL; EMBODYING A MEMORIAL OF THE LEGISLATURE OF THE STATE OF WISCONSIN AND RESOLUTIONS OF OTHER BODIES, AND NEWSPAPER CLIPPINGS, URGING THE EARLY ENACTMENT OF THE TORREY BANKRUPTCY BILL.

OFFICERS AND CHAIRMEN OF COMMITTEES OF THE NATIONAL CONVENTION OF THE REPRESENTATIVES OF THE COMMERCIAL BODIES OF THE UNITED STATES.

PRESIDENT,
JAY L. TORREY, *Embar, Wyo.*

SECRETARY,
JAS. T. WYMAN, *Minneapolis.*

ASSISTANT SECRETARY,
CLINTON A. SNOWDEN, *Tacoma.*

TREASURER,
PETER NICHOLSON, *St. Louis.*

Presidential, FERDINAND W. RISQUE, *St. Louis.*
Finance, WILLIAM T. BAKER, *Chicago.*
Executive, WILLIAM E. SCHWEPPE, *St. Louis.*

Congressional, LOWE EMERSON, *Cincinnati.*
Bankruptcy Literature, BREEDLOVE SMITH, *New Orleans.*

To Congress:

Your memorialist, the National Convention of the Representatives of the Commercial Bodies of the United States, respectfully shows that—

The Constitution of the United States provides as follows:

The Congress shall have power * * * to establish * * * uniform laws on the subject of bankruptcies throughout the United States. (Article I, sec. 8.)

The Constitution also provides as follows:

No State shall * * * pass any * * * law impairing the obligation of contracts. (Article I, sec. 10.)

Your memorialist, in view of the rights of the people under the provisions of the Federal Constitution as above, to have in force at all times a national bankruptcy law, respectfully urges that this right be made available at an early date, by the passage of the Torrey bankruptcy bill.

Your memorialist respectfully submits herewith a review of the laws and statistics concerning insolvency in the several States; a summary of the Torrey bankruptcy bill; a memorial from the legislature of the State of Wisconsin, resolutions of industrial and commercial bodies, and newspaper clippings, showing the necessity for the early passage of that bill.

Respectfully,

The EXECUTIVE COMMITTEE,
By WM. E. SCHWEPPE,
Chairman.

ASSIGNMENT AND INSOLVENCY LAWS.

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THE STATISTICS

Embraced in the tables of commercial and other failures in this document have been compiled by the Bureau of Statistics of the Treasury Department from figures furnished by Messrs. R. G. Dun & Co.

A review of the laws and statistics concerning insolvency in the several States is as follows:

ALABAMA.

A GOOD BANKRUPTCY LAW WOULD PROVE BENEFICIAL.

There are no provisions for the discharge of a debtor in the assignment law of this State. A debtor having failed has no right to a discharge, although his failure may have been without his fault. Under a proper bankruptcy law every honest insolvent debtor would be entitled as a right to a discharge irrespective of where his creditors reside.

There is no law which enables creditors of equal rights to secure pro rata benefits from the estate of a common debtor in contested cases. If there was in force an equitable bankruptcy law this result would be secured to creditors.

The failures in Alabama of persons, firms, and corporations engaged in commercial and industrial pursuits, the number of those so engaged, the percentage of the former to the latter, the total amount in dollars of the liabilities of those who have failed from 1879 to 1896, inclusive, are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	24	5,843	0.44	\$202,109
1880.....	47	6,597	.71	759,694
1881.....	104	7,050	1.46	2,041,340
1882.....	85	7,364	.15	1,188,276
1883.....	55	8,159	.67	650,710
1884.....	68	8,388	.80	1,453,311
1885.....	39	8,616	.45	1,017,135
1886.....	118	9,018	1.31	1,878,716
1887.....	99	9,587	1.03	1,637,477
1888.....	161	10,172	1.58	1,692,622
1889.....	134	9,886	1.35	1,368,252
1890.....	186	10,315	1.80	2,226,300
1891.....	258	10,229	2.52	3,396,365
1892.....	228	10,287	2.22	2,108,675
1893.....	178	10,290	1.73	2,439,200
1894.....	190	10,261	1.85	2,944,309
1895.....	140	10,280	1.36	1,320,250
1896.....	123	10,195	1.21	949,554
Totals	2,237	.....	.....	29,274,195
Averages .....	.....	9,030	1.37	.....

The average percentage of failures is 0.33 larger for this State than for the whole country. It is reasonable to believe that the enactment of a comprehensive bankruptcy law would so protect the rights of debtors and creditors as to reduce the number of failures in this State.

ARKANSAS.

STATISTICS SEEM TO SHOW THAT A COMPREHENSIVE BANKRUPTCY LAW IS NEEDED.

There are no provisions in the assignment law in this State for the discharge of an insolvent debtor from his debts. Having become insolvent he is thereafter amenable to his obligations for the balance of his life, unless released by the clemency of his creditors, although his failure may have been without moral wrong, and every dollar of his property may have been applied to the payment of his debts.

Creditors have no recourse as between themselves. In the case of a common debtor becoming insolvent the one who first learns of it usually secures his claim in full and the rest, or most of them, suffer a total loss of their claims.

The existence of a wise bankruptcy law would change the above conditions; under its provisions debtors would be protected against proceedings by a creditor in his personal selfish interests. Those who become insolvent without wrong would be permitted to keep the exemptions allowed by the laws of the State and would be discharged from their debts and given an opportunity to start again. The estates would be divided ratable between creditors of equal rights. On the whole both debtors and creditors would be benefitted.

The failures for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	48	4,349	1.10	\$425,427
1880.....	26	5,227	.50	340,072
1881.....	102	6,096	1.67	952,532
1882.....	95	6,593	1.44	754,724
1883.....	84	6,853	1.21	596,723
1884.....	121	7,092	1.70	1,149,164
1885.....	94	7,734	1.22	818,325
1886.....	100	7,627	1.31	1,178,651
1887.....	90	9,817	.92	837,900
1888.....	156	8,880	1.76	1,245,546
1889.....	173	9,452	1.82	994,392
1890.....	212	10,267	2.06	1,817,305
1891.....	185	10,575	1.75	2,203,819
1892.....	211	10,672	1.99	1,902,697
1893.....	164	10,641	1.54	3,655,881
1894.....	170	10,711	1.59	1,383,010
1895.....	154	10,552	1.46	1,046,700
1896.....	186	9,806	1.89	2,095,802
Totals	2,371	.....	.....	23,398,670
Averages.....	.....	8,497	1.55	.....

The average percentage of failures in this State is 0.51 greater than the average for the whole country. There does not seem to be any reason for this fact other than the absence of a comprehensive bankruptcy law for the protection of both debtors and creditors.

CALIFORNIA.

PROVISIONS OF AND RESULTS UNDER A STATE INSOLVENCY LAW.

There is in this State an insolvency law with both voluntary and involuntary clauses. Among its provisions are the following:

Involuntary insolvency.—An adjudication of insolvency may be made upon the petition of five or more creditors, residents of this State, whose debts or the demands accrued in this State and amount in the aggregate to not less than five hundred dollars, provided that said creditors, or either of them, have not become creditors by assignment within thirty days prior to the filing of petition.

The petition must be filed in the superior court of the county where debtor resides or has his place of business, and must be verified by at least three of the petitioners, setting forth that such person is about to depart from this State, with intent to defraud his creditors; or, being absent from the State with such intent, remains absent; or conceals himself to avoid the service of legal process, or conceals, or is removing, any of his property to avoid its being attached or taken on legal process, for three days; or has confessed or offered to allow judgment in favor of any creditors; or willfully suffered judgment to be taken against him by default; or has suffered or procured his property to be taken on legal process, with intent to give a preference to one or more of his creditors; or has made any assignment, gift, sale, conveyance, or transfer of his estate, property, rights, or credits, with intent to delay, defraud, or hinder his creditors; or, in contemplation of insolvency, has made any gift, grant, sale, conveyance, or transfer of his estate, property rights, or credits; or has been arrested and held in custody by virtue of any civil process of court founded on any debt or demand, and such process remains in force, and not discharged by payment, or otherwise, for a period of three days; or, being a merchant or tradesman, has stopped or suspended, and not resumed payment within a period of forty days after the maturity of any written acknowledgment of indebtedness, unless the party holding such acknowledgment has, in writing, waived the right to proceed under this subdivision.

A debtor may secure a discharge, upon application to the court and without the consent of his creditors, but under the provisions of the Federal Constitution such discharge will be only against creditors of his State; it will not bar the rights of creditors residing in other States.

The statistics showing the commercial failures in this State for the last eighteen years are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	472	17,343	2.72	\$7,967,854
1880.....	295	18,409	1.60	2,919,400
1881.....	275	19,345	1.43	2,780,000
1882.....	375	20,007	1.88	3,747,000
1883.....	429	21,105	2.03	4,431,900
1884.....	573	21,836	2.62	6,166,900
1885.....	672	23,174	2.90	5,086,100
1886.....	554	24,278	2.28	4,300,400
1887.....	455	26,522	1.71	16,943,306
1888.....	647	28,141	2.30	7,975,800
1889.....	713	29,531	2.42	4,299,800
1890.....	641	30,365	2.11	4,224,400
1891.....	698	30,875	2.26	4,742,300
1892.....	585	33,259	1.76	4,526,600
1893.....	747	34,319	2.17	7,456,718
1894.....	587	35,330	1.66	5,399,993
1895.....	573	35,673	1.61	2,883,099
1896.....	685	36,901	1.58	4,068,125
Totals.....	9,976	.....	.....	100,929,695
Averages.....	.....	27,023	2.05	.....

The average percentage of failures for the whole country during the past eighteen years is 1.04; that is, 1.01 less than for this State. The conclusion seems reasonable that a good bankruptcy law would so protect debtors and secure the rights of creditors that this large mortality among debtors would be greatly reduced.

COLORADO.

BENEFITS WHICH WOULD ACCRUE UNDER A COMPREHENSIVE BANKRUPTCY LAW.

Under the assignment laws of this State insolvent debtors can not be discharged. Honest and dishonest are all alike amenable to their creditors unless they let the statute of limitations run.

No creditor has any rights which any other creditor is bound to respect. "First come, first served," is the rule. The result is that many debtors are financially ruined, not because they are dishonest, not because they are insolvent, but simply because some one creditor becomes suspicious of some other creditor's intentions and so begins a suit. In such an event there is nothing for other creditors to do but to also bring suit. The costs of such suits are in many cases large enough to financially ruin the debtor although he might have been solvent in the beginning.

Such proceedings are ruinous to both the debtor and creditor classes; they are expensive also to honest consumers, who in the end pay in multiplied profits for such foolish expenditures and losses. Under a wise bankruptcy law the conditions would be reversed. In every case the honest debtor would be protected and his creditors would secure their equitable rights.

The commercial failures in the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	47	3,572	1.31	\$335,661
1880.....	78	5,932	1.32	540,500
1881.....	97	7,657	1.26	687,479
1882.....	169	7,825	2.17	1,260,191
1883.....	182	7,157	2.52	1,986,664
1884.....	139	6,911	2.01	2,259,385
1885.....	62	6,850	.89	765,182
1886.....	82	6,975	1.18	698,520
1887.....	79	8,216	.96	479,368
1888.....	149	9,060	1.64	1,264,647
1889.....	165	11,580	1.42	817,001
1890.....	169	12,287	1.38	981,894
1891.....	264	13,496	1.96	1,544,525
1892.....	202	13,854	1.46	2,374,088
1893.....	426	14,069	3.03	9,356,853
1894.....	141	14,263	.99	2,083,257
1895.....	138	14,523	.95	1,760,224
1896.....	96	9,448	1.04	2,119,200
Totals	2,687	.....	.....	31,314,639
Averages.....	.....	9,649	1.55	.....

The average percentage of failures for the years indicated above is 0.51 greater than the average percentage during the same term for the whole country. The conclusion seems to be reasonable that under the provisions of a comprehensive bankruptcy law this percentage would be reduced; if so, it would redound to the benefit of debtors, creditors, and consumers.

CONNECTICUT.

RESULTS UNDER A VOLUNTARY AND INVOLUNTARY INSOLVENCY LAW.

The laws of this State provide for both voluntary and involuntary insolvency.

If the debtor's estate pays 70 cents on the dollar, he will be discharged; otherwise, not.

An abstract from the laws of that State is as follows:

Insolvent laws and assignments (Gen. Stat., par. 507).—If a debt exceeding one hundred dollars is sued for, and no sufficient property can be found to attach, the creditor can apply to the court of probate to appoint a trustee in insolvency of the debtor's estate.

The debtor receives an allowance from his estate for the support of his family, and, if he pays seventy per cent of all claims proved, obtains a full discharge.

Proving claim and accepting dividend does not operate as a discharge of the debtor (chapter 96, Laws of 1895).

These laws, to the citizens of many of the States, would seem exceedingly harsh; and yet the number of those doing business in that State has exceeded over 15,000 for a dozen years, and the percentage of failures is much less on the average than in States where the laws are not so severe.

The commercial failures for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	158	13,188	1.20	\$2,474,844
1880.....	178	14,640	1.21	1,073,817
1881.....	130	14,475	.90	836,788
1882.....	88	14,411	.61	898,963
1883.....	119	14,292	.83	744,242
1884.....	169	14,718	1.14	1,464,396
1885.....	176	15,882	1.11	1,714,486
1886.....	132	16,842	.78	1,906,684
1887.....	117	16,920	.69	3,500,484
1888.....	137	16,970	.81	1,265,103
1889.....	137	17,562	.78	1,624,657
1890.....	176	18,281	.96	1,447,617
1891.....	193	18,696	1.03	2,719,020
1892.....	160	18,979	.84	1,053,464
1893.....	234	18,980	1.23	3,095,148
1894.....	253	19,473	1.30	1,821,143
1895.....	254	19,622	1.29	2,442,980
1896.....	296	18,776	1.58	2,099,320
Totals.....	3,107	.....	.....	32,183,156
Averages.....	.....	16,817	1.03	.....

The average percentage of failures for the above years is 0.01 less than for the same period for the whole country.

DELAWARE.

THE RIGHTS OF DEBTORS AND CREDITORS.

There are no provisions in the assignment laws in this State for the discharge of a debtor. Having contracted debts, he is and always will remain amenable to his creditors, unless they permit the statute of limitations to run or voluntarily cancel the debts.

Every debtor who is honest is entitled to a discharge under the Federal Constitution, but owing to the inaction of Congress this right is not available.

Every creditor has a right to have a bankruptcy law upon the statute

books for his protection against the wrongs of his debtors and fellow-creditors, and yet such right has not been available for eighteen years.

The commercial failures in the last eighteen years in this State are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	14	3,628	0.39	\$186,137
1880.....	18	3,618	.50	127,400
1881.....	7	3,522	.20	73,200
1882.....	12	3,598	.33	79,400
1883.....	15	3,685	.40	206,757
1884.....	27	3,930	.69	553,900
1885.....	23	4,075	.56	195,250
1886.....	25	4,044	.62	176,500
1887.....	26	4,297	.63	495,219
1888.....	26	4,348	.60	324,200
1889.....	15	4,109	.36	156,200
1890.....	18	3,833	.47	213,822
1891.....	29	4,032	.72	434,600
1892.....	21	3,862	.54	68,100
1893.....	35	4,239	.83	645,437
1894.....	61	3,769	1.62	936,770
1895.....	68	3,774	1.80	460,100
1896.....	57	4,014	1.42	641,100
Totals.....	497	.....	.....	5,973,092
Averages.....	.....	3,910	.71	.....

The average percentage of failures in this State for the above term has been 0.33 less than for the whole country.

FLORIDA.

SHOULD NOT DEBTORS ENJOY THE RIGHT OF DISCHARGE?

This State has an assignment law, but there are no provisions in it for the discharge of insolvent debtors.

The Federal Constitution provided when adopted that debtors who were honest should enjoy the right of discharge, but it is not available because Congress has neglected to pass such a law.

Creditors, too, would enjoy rights under a complete bankruptcy law which are not now available to them.

Other first-class countries have such laws, why should not this one?

The status of the commercial failures for the last eighteen years is shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	19	1,918	1.00	\$120,077
1880.....	12	2,049	.60	104,500
1881.....	16	2,576	.61	223,352
1882.....	17	2,508	1.68	167,320
1883.....	34	2,865	1.17	297,677
1884.....	44	3,455	1.25	670,534
1885.....	49	3,918	1.26	366,103
1886.....	78	4,334	1.81	603,302
1887.....	107	4,991	2.14	564,469
1888.....	69	5,465	1.26	407,177
1889.....	49	4,750	1.03	348,142
1890.....	41	4,812	.85	155,360
1891.....	144	5,222	2.76	1,486,411
1892.....	31	5,825	.53	267,700
1893.....	59	5,913	1.00	491,305
1894.....	46	6,186	.74	380,650
1895.....	136	5,868	2.32	1,741,550
1896.....	75	5,633	1.33	515,200
Totals.....	1,026	.....	.....	8,910,829
Averages.....	.....	4,349	1.31	.....

The average percentage of failures for the whole country for the above term has been 1.04; that is, 0.27 less than this State, indicating, as it seems, that a comprehensive bankruptcy law would promote the best interests of debtors and creditors.

GEORGIA.

PROVISIONS OF VOLUNTARY AND INVOLUNTARY INSOLVENCY LAWS AND THE RESULTS OF THEIR ENFORCEMENT.

There are laws for voluntary and involuntary insolvency in this State. An abstract from these laws is as follows:

Insolvent laws.—In case any corporation not municipal, or any trader or firm of traders, shall fail to pay at maturity any debt, payment of which has been properly demanded, and is insolvent, the superior court, under a creditor's bill, which can only be filed by one or more creditors whose claims amount to one-third of the unsecured debts, may proceed to collect up all the property and assets of such debtor and appropriate the same to the creditors, for which purpose the chancellor may appoint a receiver.

In the final decree the court may recommend to the creditors the debtor's discharge from further liability, if there has been an honest and fair surrender of his assets for distribution under the law. (Acts of 1881.)

The debtor will be discharged by the court if no fraud is shown. But such discharge will not operate as against the claims of creditors residing in other States. This is an injustice to debtors and their home creditors. There is no reason why debtors should not have complete discharges or why creditors of equal rights should not enjoy equal benefits, irrespective of their residences. These results can only be secured under a comprehensive Federal bankruptcy law.

The status as to the failures for the last eighteen years is shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	86	8,599	1.00	\$574,323
1880.....	77	9,883	.78	1,018,763
1881.....	132	10,478	1.27	2,379,548
1882.....	138	11,215	1.23	1,930,563
1883.....	213	11,537	1.83	2,180,839
1884.....	238	12,180	1.95	3,412,571
1885.....	212	10,413	2.04	2,566,235
1886.....	215	10,552	2.04	1,872,763
1887.....	195	11,265	1.72	1,713,462
1888.....	213	13,117	1.62	2,706,491
1889.....	151	13,820	1.09	1,627,945
1890.....	145	14,235	1.02	1,671,878
1891.....	274	17,625	1.55	5,829,903
1892.....	259	15,857	1.63	2,425,680
1893.....	292	15,161	1.93	3,147,298
1894.....	347	15,294	2.27	4,756,118
1895.....	214	14,793	1.45	3,049,383
1896.....	228	15,132	1.51	4,741,333
Totals.....	3,629	.....	.....	47,605,099
Averages.....	.....	12,842	1.57	.....

The average percentage of failures as shown by the above table has only been less for three of the eighteen years than the average percentage for the whole country; that is, the average percentage for the whole country is 1.04. It would seem that the existence of a comprehensive bankruptcy law would result in the reduction of the number of failures in this State.

IDAHO.

A GOOD BANKRUPTCY LAW SEEMS TO BE NEEDED.

There is an assignment law but no voluntary or involuntary insolvency law in this State.

A debtor in this State has no right of discharge. In 21 States of the Union honest debtors who fail can secure a discharge from creditors living in the same State, but in this State creditors are even without the right of such a partial discharge.

Creditors not only have to take the risk incident to extending credit to debtors, but they also take the risk of some other creditors of the same debtor instituting proceedings against the debtor which will break him up in business and perhaps sweep away in sacrifice and unnecessary sales his entire property.

If Congress should enact an equitable bankruptcy law, as provided by the Federal Constitution, it would secure to every honest debtor a discharge; it would protect every creditor in his equitable rights. The result would be a reduction in the hazard of business, the extension of credit, and in benefiting both debtors and creditors in all of their transactions.

A table showing the commercial failures in the last seven years is as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1890.....	20	2,309	0.86	\$152,100
1891.....	28	1,920	1.46	126,800
1892.....	17	1,961	.87	90,250
1893.....	76	1,929	3.42	834,327
1894.....	124	2,004	6.19	461,617
1895.....	85	2,146	3.96	386,025
1896.....	83	2,174	3.81	442,500
Totals.....	433	.....	.....	2,493,619
Averages.....	.....	2,063	3.00	.....

The average percentage of failures for the whole country for eighteen years has been only 1.04; that is, 1.96 less than the above average for seven years. The people of Idaho are certainly as honest and competent as those of other States. This great discrepancy, therefore, as it seems, must be charged to the imperfection of the laws.

ILLINOIS.

PROVISIONS OF THE LAWS AND TABLE OF FAILURES.

There is a voluntary insolvency law in this State. It contains provisions, and decisions have been made pursuant thereto as follows:

There is no involuntary assignment law, nor provision for absolute discharge of debtor, nor requirement for release by creditor on filing claim. (Hurd, 861.)

Voluntary assignments are under the jurisdiction of the county court, which, in respect thereto, has broad equity powers. The debtor should annex to his voluntary assignment, for the benefit of creditors, an inventory under oath, but the assignment is not rendered void by want of it.

The assignee files a bond with surety in double the value of the property assigned. He gives all creditors notice by publication and by mail to present their claims under oath within three months from date of notice. Claims not filed within the time are barred.

In practice dividends are declared from time to time pro rata, on all claims allowed, as the condition of the estate warrants. Wages of any laborer or servant earned within three months next preceding the assignment are preferred, after costs of administration.

The debtor, immediately upon the assignment, may be cited by any creditor to submit to an examination under oath as to the amount and situation of the estate, the names of creditors, and the amounts due each. The court may compel the delivery to the assignee of any property embraced in the assignment, whether specifically described or coming within its general terms. (Ch. 72.)

All preferences in an assignment, or in contemplation thereof (120 Ill., 208) are void; but the assignment stands.

There are no provisions in this law for the discharge of an insolvent debtor. Such a discharge is a right which all honest insolvent debtors have under the Federal Constitution. Who is keeping them from enjoying it?

Creditors are at the mercy of each other. It is their constitutional right to have enacted a bankruptcy law under which their rights will be available under the rules of equity. Who is keeping them from enjoying it?

The answer to the above inquiries is that the passage of a wise, comprehensive, and beneficial bankruptcy law for the benefit of debtors and creditors is and has been for years opposed by four or five great Chicago houses in their own selfish interests.

The status of commercial failures is given for the last eighteen years as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	277	51,250	0.54	\$5,633,780
1880.....	134	53,320	.25	1,263,956
1881.....	145	55,335	.26	2,566,418
1882.....	261	58,051	.45	3,433,324
1883.....	605	60,064	1.00	16,392,012
1884.....	703	61,780	1.37	12,661,937
1885.....	684	62,798	1.09	5,858,853
1886.....	646	64,922	.99	8,187,356
1887.....	628	67,814	.93	8,457,222
1888.....	676	71,062	.95	8,929,338
1889.....	717	74,386	.95	7,286,365
1890.....	643	77,485	.83	9,785,431
1891.....	531	83,104	.64	6,303,814
1892.....	480	86,145	.56	7,647,200
1893.....	566	89,274	.63	18,777,462
1894.....	717	84,325	.85	8,042,159
1895.....	856	86,236	.99	14,198,887
1896.....	1,130	89,854	1.26	22,191,489
Totals	10,401	.....	.....	167,617,003
Averages .....	.....	70,956	.81	.....

The average percentage of failures as shown above is 0.23 less than the average for the whole country for the same term. It can be confidently predicted that even this small percentage of failures would be reduced under the provisions of a comprehensive bankruptcy law for the protection of the rights of both debtors and creditors.

INDIANA.

A GOOD SHOWING AS TO THE PERCENTAGE OF COMMERCIAL FAILURES.

There are no provisions under the assignment laws of this State for the discharge of an insolvent debtor.

Honest insolvent debtors would be entitled to a discharge under the provisions of the proposed bankruptcy law. The power to enact it is given by the Federal Constitution. Why should not that power be exercised?

Creditors ought always to receive their share of an insolvent or dishonest debtors' estate—never any more—never any less. It would be established, not only for this State but for the whole country, by a comprehensive bankruptcy law. What class is opposed to the enactment of such a law? Is their opposition based upon selfish or considerate, patriotic grounds?

The status of the commercial failures in this State for the last eighteen years is given as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	122	27,285	0.45	\$1,509,791
1880.....	89	29,120	.30	842,847
1881.....	78	30,632	.25	683,289
1882.....	124	32,488	.38	1,688,565
1883.....	270	33,953	.77	3,426,182
1884.....	304	35,835	.84	5,775,113
1885.....	293	36,762	.80	2,435,528
1886.....	235	36,142	.65	2,739,089
1887.....	212	37,786	.56	1,838,494
1888.....	259	39,399	.65	2,134,627
1889.....	211	40,164	.53	1,845,798
1890.....	224	40,102	.56	2,912,144
1891.....	208	41,969	.50	1,671,239
1892.....	202	45,071	.45	1,753,541
1893.....	357	47,207	.76	8,903,225
1894.....	269	48,615	.55	3,702,932
1895.....	242	49,317	.49	2,047,351
1896.....	324	42,063	.76	3,906,426
Totals.....	4,023	.....	.....	49,816,181
Averages.....	.....	38,551	.58	.....

The average percentage of commercial failures as shown above is an unusual showing as compared with the other States. The average for all the States being 1.04; that is, 0.46 greater than the above average.

IOWA.

NO DISCHARGE CAN BE SECURED UNDER THE STATE LAW.

In this State there is a voluntary insolvency law, from which quotations are made as follows:

A general assignment of property by an insolvent is not valid unless it be made for the benefit of all his creditors alike. No preference allowed, except that in the absence of actual fraud an insolvent may sell or mortgage to one creditor and afterwards make a valid general assignment. Assent of creditors is presumed.

An assignment does not discharge the debtor from his liabilities, but only entitles all his creditors to share equally in his estate.

Foreign creditors are not compelled to accept dividend or composition, and a refusal to accept does not prejudice their right of action against the assignor. (Title XVI, ch. 7; 16 G. H., ch. 14.)

There are no provisions in this voluntary law for the discharge of an insolvent debtor. The creditor can have his "pound of flesh" if he can beat the other creditors and get his writs levied first. He can keep his claim alive for all time. Under a just bankruptcy law he could do the same thing against a dishonest debtor and if he had any property "hid out" he could get it, but he could not follow his honest insolvent debtor for the rest of his life.

The rights of both debtors and creditors should be protected and fostered by the enforcement of the rules of equity. Such would be the case under such a bankruptcy law.

The commercial failures in this State for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	152	23,463	0.65	\$1,121,900
1880.....	92	24,873	.37	495,555
1881.....	75	26,419	.29	926,601
1882.....	194	28,217	.70	1,415,773
1883.....	420	29,119	1.43	2,249,651
1884.....	412	29,396	1.40	2,435,653
1885.....	370	30,021	1.23	2,354,757
1886.....	373	30,102	1.23	1,922,313
1887.....	302	29,686	1.01	1,976,822
1888.....	284	30,696	.92	2,510,107
1889.....	325	33,833	.96	2,579,762
1890.....	241	35,420	.68	2,424,545
1891.....	185	37,263	.50	1,267,704
1892.....	200	38,265	.52	1,483,122
1893.....	184	38,660	.48	11,452,932
1894.....	253	39,820	.64	5,098,510
1895.....	304	40,807	.74	1,853,395
1896.....	408	39,444	1.34	3,207,726
Totals.....	4,774	.....	.....	46,776,828
Averages.....	.....	32,528	.82	.....

The average percentage of failures for the above term is 0.22 less than for the whole country during the same time.

KANSAS.

THE RIGHT OF DISCHARGE NOT SECURED BY STATE LAW.

This State has an assignment but no insolvency law.

The debtor has no rights by law to a discharge; he must forever remain liable to his creditors, unless they permit the statute of limitation to run against their claims or voluntarily discharge him.

Would it not be better for the honest debtor, for his creditors, and the State in which he lives if he should be entitled to a discharge?

If creditors should receive a pro rata distribution of the estates of their insolvent and dishonest debtors, their losses would be very small; but where in a large percentage of cases they lose their entire claims it is a very serious matter to them.

Debtors and creditors would both be benefited by the enactment of a wise, comprehensive bankruptcy law, because under its provisions credit would be strengthened, the number of failures reduced, and the percentage of dividends of bankrupt estates increased.

The statistics for commercial failures for the last eighteen years are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	66	11,449	0.58	\$392,043
1880.....	112	13,610	.82	446,953
1881.....	262	13,894	1.88	1,704,810
1882.....	267	14,713	1.81	1,510,967
1883.....	161	15,677	1	726,670
1884.....	97	16,837	.57	508,854
1885.....	285	20,768	1.37	1,377,177
1886.....	297	22,560	1.32	1,050,736
1887.....	289	26,914	1.07	1,702,286
1888.....	244	25,283	.96	1,225,393
1889.....	292	24,929	1.17	2,629,209
1890.....	325	25,510	1.27	4,538,779
1891.....	275	22,302	1.23	5,625,331
1892.....	206	22,285	.92	1,813,623
1893.....	322	22,646	1.42	2,795,753
1894.....	286	22,431	1.28	1,487,817
1895.....	234	22,645	1.03	1,155,664
1896.....	235	21,281	1.10	1,224,743
Totals.....	4,255	.....	.....	31,916,808
Averages.....	.....	20,319	1.17	.....

The average percentage of failures for the above term is 0.13 greater than for the whole country. It seems reasonable that the existence of a comprehensive uniform bankruptcy law would reduce the mortality among debtors.

KENTUCKY.

THE EFFECTS OF THE STATE LAW.

This State has a voluntary insolvency law, an abstract from which is as follows:

Deeds of assignment are acknowledged, filed, and recorded as other deeds are.

Assignee is named by debtor, and is removable as other trustees, for cause.

Notice to prove claims is given by publication in a newspaper. Claims may be proved in same manner as against estate of decedent at any time until final distribution. Rejection of claim by court is a judgment against creditor. Preferences are not allowed. Property exempt from execution is also exempt from assignment. (Statutes, ch. 7, paragraph 74.)

The laws of this State do not contain any provisions for the discharge of an insolvent debtor. Why should the honest debtors of this State be denied the rights which are theirs under the Federal Constitution?

Creditors are also entitled under the Constitution to have a bankruptcy law in force. It would secure to them in all cases a pro rata of their debtor's estates, the small number of which would be administered in bankruptcy. Why should they not enjoy this right?

The history of insolvency for the last eighteen years is shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879	138	17,542	0.79	\$1,546,577
1880	104	18,581	.56	1,030,000
1881	93	19,311	.48	1,083,413
1882	131	19,352	.67	3,716,096
1883	154	19,869	.77	1,667,727
1884	219	21,324	1.02	2,063,265
1885	276	20,913	1.32	1,941,589
1886	275	21,873	1.26	2,444,040
1887	281	22,153	1.26	3,274,244
1888	285	22,354	1.27	1,939,077
1889	223	22,706	.98	2,157,010
1890	233	21,949	1.06	2,991,976
1891	390	25,647	1.52	7,695,245
1892	251	26,188	.97	1,979,886
1893	433	26,309	1.65	8,306,744
1894	339	26,307	1.29	5,407,830
1895	274	26,068	1.05	3,042,045
1896	327	25,532	1.28	5,025,394
Totals	4,426	.....	.....	57,312,158
Averages .....	.....	22,443	1.10	.....

For the whole country the average percentage of failures during the above term was 1.04, that is, .06 less than the above. It is believed that the existence of a comprehensive national bankruptcy law would result in the reduction of the percentage of failures in this State.

LOUISIANA.

PROVISIONS OF THE VOLUNTARY AND INVOLUNTARY INSOLVENCY LAWS.

This State has voluntary and involuntary insolvency laws, an abstract from which is as follows:

Forced surrenders.—Any judgment creditor, after execution return “no property found,” may compel debtor to surrender. The creditor must present a petition to the court or judge at chambers having jurisdiction of debtor's domicile, showing he is a judgment creditor, for what amount, that execution has been returned “no property found” after due demand, and that he believes the debtor has property available to his creditors, and praying that the debtor be ordered to make a surrender. Petition must be signed and sworn to by the creditor or his attorney. The judge will order debtor to file schedule, as in voluntary surrender, by a day fixed. Upon filing this schedule the court will order a meeting of the creditors before a notary, at which meeting a majority in number and amount shall determine whether the surrender shall be made. If recommended, the court will order the debtor to make a surrender by a time fixed. If debtor fails or refuses to obey he may be imprisoned until he complies. The surrender shall be made and accepted, syndics elected, and all proceedings conducted as in voluntary surrenders. Unless a non-resident creditor participates in the proceedings he is not bound by them, nor is his debt affected, and he may proceed against the debtor here, in the United States court, if his claim exceeds \$2,000.

Respite.— * * * Any debtor failing to furnish security, when required by the court, or failing to make payment according to the terms of his respite, can be compelled summarily to make a cession of his property as an insolvent person.

A debtor in this State may secure a discharge from his debts by the consent of a majority in number and amount of his creditors.

Only five States have laws requiring the consent of any part of the creditors as a condition precedent to the granting of a discharge. The laws of no other Southern State contain a similar provision.

The right to a discharge properly rests upon a sound public policy, and not upon the consent of creditors. If it were not for the demand of such public policy there would be no justification for giving a debtor a discharge. A discharge from the claim of an unwilling creditor can not be justified on the ground that other creditors desire such discharge granted. The right rests wholly and solely upon the demands of a public policy which should not be influenced by the wishes of creditors.

Creditors are entitled to have their rights made available, as they would be under a national bankruptcy law, both as against their debtors and fellow-creditors.

The relationship of failures to the number engaged in business for the last eighteen years is shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879	90	7,907	1.14	\$4,752,557
1880	54	8,493	.64	706,262
1881	106	8,988	1.18	1,604,577
1882	178	9,399	1.90	3,162,948
1883	177	9,541	1.86	3,335,678
1884	184	10,085	1.82	5,408,916
1885	215	10,542	2.05	5,035,411
1886	205	10,635	1.93	2,780,313
1887	193	11,341	1.70	2,363,374
1888	202	11,909	1.69	2,471,778
1889	185	12,419	1.49	1,686,714
1890	157	10,484	1.50	4,594,836
1891	181	10,297	1.76	3,740,102
1892	177	10,119	1.75	2,262,871
1893	122	9,354	1.30	2,626,007
1894	230	9,822	2.34	1,897,799
1895	199	10,157	1.96	2,876,081
1896	233	10,674	2.19	3,931
Totals	3,088	.....	.....	55,237,672
Averages .....	.....	10,120	1.70	.....

The average percentage, as above, of failures is 0.66 greater than the average for the whole country during the same period. It is reasonable to suppose that this excess is, in a measure, due to the imperfections of the laws.

MAINE.

PROVISIONS OF THE LAWS AND EFFECTS OF THEIR ENFORCEMENT

This State has voluntary and involuntary insolvency laws. An abstract is as follows:

Insolvent laws.—* * * Involuntary proceedings are commenced by one or more creditors alleging that they believe their debts to be more than one-fourth of the whole, that debtor is insolvent, and it is for the best interests of his creditors that his assets be divided under the act. A warrant issues for attaching all his property in the State and forbidding any disposition of it. Notice is given to the debtor, and the warrant may be revoked on hearing; if not, a like warrant issues as in voluntary proceedings. (General insolvency law, chap. 70, par. 17.)

The discharge of a debtor can not be obtained under these laws except upon the consent of the majority in number and amount of his creditors.

The right to a discharge properly rests upon public policy and not

upon the consent of creditors. If it were not for the demand of such public policy, there would be no justification for giving a debtor a discharge. A discharge from the claim of an unwilling creditor can not be justified on the ground that other creditors desire such discharge granted. The right rests wholly and solely upon the demands of a public policy which should not be influenced by the wishes of creditors.

Creditors are entitled to enjoy their equitable rights under the Federal Constitution, not only within their own State, but in the other States of the Union. These rights can not be secured except by the enactment of a wise bankruptcy law.

The statistics of commercial failures in this State for the last eighteen years are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	87	11,245	0.77	\$796,600
1880.....	73	11,877	.61	687,230
1881.....	76	12,457	.60	442,708
1882.....	61	12,704	.48	942,014
1883.....	223	13,151	1.68	2,253,110
1884.....	231	13,408	1.72	875,267
1885.....	205	13,708	1.59	1,050,181
1886.....	167	14,010	1.19	3,225,279
1887.....	162	14,266	1.14	1,811,778
1888.....	160	14,325	1.10	1,457,797
1889.....	196	14,304	1.37	1,114,582
1890.....	130	14,317	.91	1,238,691
1891.....	140	14,711	.95	813,510
1892.....	98	14,969	.65	965,257
1893.....	411	15,192	2.71	3,938,371
1894.....	251	15,365	1.63	2,449,210
1895.....	188	15,637	1.20	1,257,858
1896.....	289	15,336	1.88	2,311,069
Totals	3,148	.....	.....	27,630,512
Averages .....	.....	13,943	1.29	.....

The average percentage of failures, as above, is 0.25 greater than for the whole country.

MARYLAND.

BENEFICIAL EFFECTS OF A COMPREHENSIVE INSOLVENCY LAW.

This State has laws for voluntary and involuntary insolvency, an abstract from which is as follows:

Any person who shall depart or remain absent from the State with intent to defraud his creditors, or conceal himself to avoid service of process upon him in any action for the recovery of a debt, and any person who conceals or removes any of his property to prevent the same from being taken under legal process, or makes any assignment, gift, sale, conveyance, or transfer of all or part of his estate or property with intent to delay, hinder, or defraud his creditors, or when insolvent or in contemplation of insolvency executes a deed or conveyance giving preference, creates a lien making any unlawful preference, or otherwise gives such preferences, or, when insolvent or in contemplation of insolvency, confesses any judgment or allows any judgment to be entered against him by any connivance, or, being a banker, broker, merchant, trader, builder, or manufacturer, fraudulently stops payment or suspends payment of his negotiable paper, and fails to resume the payment thereof within twenty days, or, being a banker or broker, shall fail, for twenty days, to pay any depositor on demand lawfully made, is deemed to have committed an act of insolvency, and may be declared insolvent upon the petition of one or more creditors the aggregate of whose debts against the insolvent amounts to at least the sum of two hundred and fifty dollars, at any time within four months after the recording of any of the conveyances, creation of liens, or committing any of the acts of insolvency above specified. (Code 1888; acts 47 and 1896; chapters 184 and 446.)

The debtor may be discharged upon application to the court without reference to the consent of his creditors, or the percentage which his estate pays upon the claims of creditors.

Creditors as well as debtors will be benefited by the passage of a national bankruptcy law, because it will strengthen credit, reduce the number of failures, and increase the percentage paid by insolvent estates.

The statistics of the commercial failures in this State for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	85	12,949	0.66	\$916,874
1880.....	53	12,781	.42	820,163
1881.....	75	13,402	.56	2,484,991
1882.....	80	13,500	.59	1,261,140
1883.....	127	14,493	.87	1,864,502
1884.....	112	15,647	.71	2,028,189
1885.....	177	15,846	1.12	3,777,804
1886.....	129	15,630	.82	3,631,971
1887.....	152	16,495	.92	3,050,461
1888.....	174	17,694	.98	1,975,593
1889.....	129	18,413	.70	1,226,094
1890.....	152	17,705	.86	2,254,304
1891.....	115	18,036	.64	2,530,927
1892.....	137	19,013	.72	2,268,765
1893.....	187	19,211	.97	2,779,183
1894.....	239	20,060	1.19	2,971,319
1895.....	299	20,469	1.46	3,279,124
1896.....	319	19,552	1.64	4,688,917
Totals.....	2,741	.....	.....	43,810,321
Averages.....	.....	16,716	.91	.....

The above average percentage is 0.13 less than for the whole country during the same period.

MASSACHUSETTS.

STATE LAWS AND COMMERCIAL FAILURES.

There are laws for both voluntary and involuntary insolvency, an abstract from which is as follows:

Insolvency proceedings may be instituted by any three or less number of creditors whose claims or combined claims provable against the estate amount to one hundred dollars, for any one of the following causes and within ninety days after the occurrence thereof (or, in case of fraudulent conveyances of real estate, within ninety days after the same has been recorded) if the debtor has resided in the State within one year: (1) If the debtor, being arrested on mesne process in a civil action for the sum of one hundred dollars or upwards, founded on a demand in its nature provable against his estate, has not given bail on or before the return day of such process; (2) if he has been actually imprisoned thereon for more than thirty days; (3) if the debtor whose goods or estate are attached on mesne process in such action founded on such contract has not before the return day of such process dissolved the attachment in the manner provided by law; (4) if the debtor has removed himself or any part of his property from the State with intent to defraud his creditors; (5) if he has concealed himself to avoid arrest, or any part of his property to prevent its being attached or taken on legal process; (6) or if he has procured himself or his property to be arrested, attached, or taken on any legal process; (7) or if he has made a fraudulent payment, conveyance, or transfer of any part of his property; (8) or if, being a banker, broker, merchant, trader, manufacturer, contractor, builder, or miner, he has fraudulently stopped payment, or has stopped or suspended and not resumed payment of his commercial paper within a period of fourteen days; (9) if the debtor is insolvent and insane. The petition may be brought in the county in which he last resided or had a usual place of business for three consecutive months before the application, if he has resided or had a usual place of

business for that time in any county; otherwise in the county within which he resides or last resided, or has or last had a usual place of business. Such petition must be verified by oath. In all proceedings the court of the county wherein the petition was first filed has jurisdiction. A creditor's petition can be received and entered only on payment of the sum necessary to defray the expense of publishing the notice of the filing of such petition required by law, and a warrant to take possession of the debtor's estate can not issue until a fee of twenty-five dollars is paid. (P. S., 157.)

Discharge not granted if assets do not pay 50 per cent, unless assent of a majority in number and value of creditors is filed.

The right to a discharge properly rests upon public policy and not upon the consent of creditors. If it were not for the demand of such public policy, there would be no justification for giving a debtor a discharge. A discharge from the claim of an unwilling creditor can not be justified on the ground that other creditors desire such discharge granted. The right rests wholly and solely upon the demands of a public policy which should not be influenced by the wishes of creditors.

Debtors and creditors have found that the existence of a voluntary and involuntary insolvency law promotes their mutual interests, but realize that their rights under it are not as complete as they would be under a national law, and hence their desire that such a law should be enacted.

The statistics of the failures in this State for the last eighteen years are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	505	38,877	1.30	\$8,433,792
1880.....	329	39,921	.83	3,436,954
1881.....	416	40,816	1.02	7,692,245
1882.....	434	41,660	1.04	8,952,611
1883.....	626	42,447	1.47	25,469,691
1884.....	695	43,328	1.60	10,343,120
1885.....	631	45,385	1.39	7,597,225
1886.....	626	47,977	1.30	11,428,842
1887.....	650	48,703	1.34	8,954,757
1888.....	672	49,489	1.35	8,425,674
1889.....	812	49,183	1.68	20,787,599
1890.....	670	49,678	1.35	20,263,205
1891.....	664	50,742	1.31	13,873,921
1892.....	637	52,032	1.22	8,805,224
1893.....	1,088	53,390	2.04	22,708,331
1894.....	836	54,707	1.53	16,467,631
1895.....	567	65,812	.86	10,942,638
1896.....	881	56,319	1.56	16,107,829
Totals.....	11,739	.....	.....	230,591,289
Averages.....	.....	48,359	1.35	.....

The average percentage of failures for the whole country during the above term is 1.04; that is, 0.31 less than the above average percentage of failures for this State.

MICHIGAN.

A REMARKABLE SHOWING AS TO COMMERCIAL FAILURES.

There is an assignment law in this State.

A debtor has no right of discharge under the laws of this State. Such a right exists under the provisions of the Federal Constitution. Why should it not be available to honest debtors in this State? It would make the promoting of enterprises and conducting of business less hazardous, and in the event of honest misfortune would give an opportunity for a new financial life.

Creditors are entitled under the Constitution to have their equitable rights enforced not only as against their insolvent and dishonest debtors, but against their fellow-creditors as well. This right can become available only under the provisions of a wise national bankruptcy law, the existence of which is a constitutional right for the people.

The failures, concerns engaged in business, and the amount of liabilities of those who have failed for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	179	25,701	0.70	\$2,063,894
1880.....	153	27,761	.85	2,285,266
1881.....	209	31,102	.67	1,750,832
1882.....	189	31,787	.60	1,456,870
1883.....	275	32,466	.84	4,347,095
1884.....	303	32,481	.93	3,786,041
1885.....	238	32,834	.73	2,018,315
1886.....	202	33,599	.60	2,269,007
1887.....	189	35,863	.53	1,875,915
1888.....	232	37,784	.61	4,865,956
1889.....	258	47,588	.54	3,674,998
1890.....	216	48,677	.44	6,082,924
1891.....	232	49,391	.47	2,308,282
1892.....	219	49,822	.44	2,969,296
1893.....	299	50,186	.60	5,263,602
1894.....	174	49,852	.35	2,122,691
1895.....	172	50,375	.34	4,565,748
1896.....	153	43,380	.35	8,473,087
Totals	3,892	.....	.....	62,179,819
Averages.....	.....	39,480	.55	.....

The above average percentage of failures is 0.49 less than for all of the States during the same period. It is reasonable to anticipate that the existence of a complete bankruptcy law for the protection of the rights of debtors and the enforcement of the rights of creditors will reduce even this small percentage of failures.

MINNESOTA.

A COMPREHENSIVE INSOLVENCY LAW AND THE RESULTS UNDER IT.

There is an involuntary and voluntary insolvency law, an abstract from which is as follows:

Insolvent laws.—When a debtor becomes insolvent, or garnishment is made against him, or his property attached upon legal process issued against him for collection of money, such debtor may, within ten days thereafter, make an assignment for the equal benefit of his creditors who shall file releases of their demands, which assignment will operate to vacate any garnishment or levy then pending. If he fails to do so, or confesses judgment or does anything for the purpose of giving a preference, or omits anything he might lawfully do to prevent it, or conceals, removes, or disposes of any unexempt property with intent to delay or defraud creditors, then or within sixty days thereafter, upon petition of one or more creditors having claims aggregating two hundred dollars, the district court in term time, or judge in vacation, upon evidence of such facts, may appoint a receiver to take possession of his property and dispose of same under direction of court for benefit of creditors releasing claims. No assignment shall give any creditor a preference except in cases expressly provided by law. Confessing or suffering judgment to be procured for the purpose of preferring creditors is a misdemeanor.

The court may restrain the debtor from collecting bills, keep him within the State, and compel him at any time to make full disclosure as to any matters pertaining to the estate. Conveyances and payments made and securities given by the debtor within ninety days prior to the assignment with a view of giving a preference to any creditor, are void; provided such creditor had reasonable grounds to believe the

debtor was insolvent. Before creditors can share in the distribution, they must file with the clerk of the district court a release in full to the debtor, who may thereupon be discharged by the judge from all liability to the creditors so participating; provided it does not appear he has secreted property with fraudulent intent. (Laws 1889, p. 78; Laws 1881, p. 196; Laws 1895, chapters 66 and 67, p. 111.)

Each creditor who proves his claim must file a release and the court will discharge the debtor if no fraud is shown. Creditors who refuse to file their claims are not affected by the discharge. A debtor, therefore, must always remain liable to such creditors unless they permit the statute of limitations to run.

The provisions of State laws of this kind give opportunities for unique schemes of sharp practice—that is, a creditor can refuse to prove his claims after the other creditors have done so, and after the debtor has been released from the major part of his debts by the liberality of other creditors, prosecute his claims against the debtor to final judgment and keep it in force the rest of the debtor's life, unless he shall succeed in paying it from future earnings. The result is that a debtor is compelled to, in effect, favor the creditors who treat him most harshly. This condition would be changed by the provisions of the proposed bankruptcy law—that is, creditors with equal rights would enjoy equal remedies, and a debtor, if honest, would receive a discharge. Why should not such a law be enacted for the mutual benefit of honest debtors and their creditors?

The statistics of commercial failures for the last eighteen years are shown by table, as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	128	10,073	1.27	\$1,241,697
1880.....	82	11,247	.73	1,807,969
1881.....	73	12,505	.58	391,827
1882.....	70	14,088	.49	355,990
1883.....	116	15,312	.75	1,129,882
1884.....	220	18,164	1.20	4,510,101
1885.....	190	24,355	.78	1,539,093
1886.....	202	26,232	.77	2,205,740
1887.....	269	26,197	1.02	3,222,800
1888.....	316	26,231	1.20	4,811,722
1889.....	356	18,635	1.91	4,299,235
1890.....	323	19,450	1.66	5,856,857
1891.....	258	20,588	1.25	2,699,281
1892.....	241	22,820	1.06	3,653,838
1893.....	417	24,900	1.67	9,705,374
1894.....	360	25,230	1.43	5,156,666
1895.....	311	25,540	1.22	5,290,239
1896.....	345	26,361	1.31	5,256,898
Totals	4,277	.....	.....	63,135,209
Averages.....	.....	20,440	1.16	.....

The above average percentage is 0.12 greater than for the whole country.

MISSISSIPPI.

A SEEMING NEED FOR A COMPREHENSIVE BANKRUPTCY LAW.

This State has an assignment law, but no voluntary or involuntary insolvency law.

A debtor is not entitled to a discharge under the provisions of the laws of this State. He must, therefore, always remain liable to the claims of his creditors, unless they voluntarily release him or permit the claims to be barred by the running of the statute of limitation.

Since the State legislation has not provided that debtors may be discharged even from their local creditors, why should not Congress enact a uniform national bankruptcy law under which honest debtors can secure a discharge, and creditors be sure of their equitable right not only as against their debtors but as between themselves? Who, if anybody, is benefited by the neglect of Congress to pass such a bankruptcy law as contemplated by the Constitution at the time of its adoption? The Confederate constitution contained a provision for a national bankruptcy law.

The failures in this State for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	76	5,686	1.34	\$991,374
1880.....	55	6,242	.89	700,549
1881.....	153	6,352	2.40	1,942,129
1882.....	197	7,187	2.74	2,335,957
1883.....	151	8,216	1.84	2,658,722
1884.....	155	9,043	1.72	3,001,254
1885.....	157	9,364	1.67	998,150
1886.....	173	8,276	2.10	1,127,102
1887.....	140	8,688	1.61	1,133,134
1888.....	132	8,752	1.51	1,088,615
1889.....	138	8,841	1.57	971,906
1890.....	195	8,421	2.32	1,437,564
1891.....	246	8,453	2.91	1,924,576
1892.....	247	8,194	3.01	3,615,425
1893.....	170	8,081	2.10	2,397,321
1894.....	171	8,093	2.11	1,357,699
1895.....	115	8,156	1.41	935,340
1896.....	141	8,152	1.73	789,735
Totals	2,812	.....	.....	28,406,552
Averages.....	.....	8,011	1.95	.....

The average percentage of failures in this State for the above term has been 0.91 greater than the average for the whole country. It is confidently believed that the enactment of a wise and uniform bankruptcy law will reduce the percentage of failures in this State.

MISSOURI.

APPARENT NEED FOR A NATIONAL BANKRUPTCY LAW.

There is an assignment law, but no voluntary or involuntary insolvency law.

A debtor has no right of discharge; he will always remain liable for his debts, unless they shall be discharged by the clemency of his creditors or become barred by the statute of limitations.

Creditors have individual remedies against their debtor. Would it not be better both for the debtor and themselves if they should be given a collective remedy against their common debtor which would at the same time prevent inequities as between themselves?

Confidence would be maintained and credit extended as between those who needed credit in order to promote enterprises and conduct business and those who have money to loan and goods to sell.

One monster mercantile establishment in St. Louis is opposed to the enactment of such a law, because it is interested in collecting every cent which is due to it from every one of its debtors, irrespective of what effect it may have upon the debtor, and of whether or not other

creditors of equal rights are able to collect any part of their claims. This house has been actively opposing the enactment of such a law for years. How much longer is it to triumph?

A statement of the commercial and industrial failures for the last eighteen years is shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	139	31,208	0.44	\$2,728,394
1880.....	139	34,824	.40	1,616,188
1881.....	218	35,669	.61	2,941,051
1882.....	300	37,449	.80	4,148,170
1883.....	226	39,231	.57	3,137,931
1884.....	276	40,922	.67	6,846,497
1885.....	253	43,561	.58	2,718,106
1886.....	233	46,334	.50	1,841,932
1887.....	195	52,041	.38	3,044,922
1888.....	218	47,609	.46	2,039,468
1889.....	327	47,525	.69	2,972,870
1890.....	358	49,384	.72	4,806,871
1891.....	360	50,039	.72	12,168,895
1892.....	365	51,429	.71	4,347,054
1893.....	464	52,228	.89	5,753,905
1894.....	414	52,077	.80	3,766,144
1895.....	421	52,011	.80	4,349,032
1896.....	528	44,707	1.18	6,362,162
Totals.....	5,434	.....	.....	75,589,694
Averages.....	.....	44,902	.67	.....

The average percentage of failures in this State for the above term has been 0.37 less than for the whole country. This showing would be better still if it were not for the large percentage of failures in 1896.

MONTANA.

PROVISIONS OF STATE LAWS AND RESULTS UNDER THEM.

There is a voluntary insolvency law, an abstract from which is as follows:

Insolvent laws and assignments.—An insolvent debtor may execute in writing an assignment for the benefit of his creditors. The wages of the employees, earned within sixty days and not exceeding \$200 to each person, are preferred claims. All preferences must be absolute. * * * An assignment is void against a creditor not assenting thereto if it gives a conditional preference, if it tends to coerce a creditor to release or compromise his demand, if it provides for false or fraudulent claims or for more than is due on a claim, if it reserves any interest in assigned property to the assignor before the payment of his debts, if it gives the assignee power to delay the conversion of the property to the uses of the trust, if it exempts the assignee from liability for misconduct. The assignment must be accompanied by the affidavit of the assignor and assignee that the same is made in good faith without any design to hinder, delay, or defraud creditors, and the assent of the assignee must accompany the assignment. * * * The assignor must, within twenty days, file an inventory giving the names of all the creditors, their place of residence, amount due and owing each, nature of claim, consideration therefor, mortgages, judgments, etc., and what property exempt and what not exempt.

A debtor has no right of discharge in this State. A national bankruptcy law would enable the honest debtors of this State to secure discharges, and again promote enterprises or conduct business for their own personal benefit and for the good of the State.

Creditors would be benefited by the enactment of a bankruptcy law, because under its provisions they would be sure of at least their equitable part of each debtors estate at small cost who unfortunately becomes a bankrupt either because of dishonesty or insolvency.

The statistics with regard to failures for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	3	513	0.58	\$90,000
1880.....	5	668	.75	27,500
1881.....	4	908	.44	68,000
1882.....	7	1,638	.44	71,000
1883.....	26	2,111	1.23	315,000
1884.....	30	2,294	1.30	353,640
1885.....	22	2,653	.82	220,765
1886.....	19	2,698	.73	231,800
1887.....	39	2,737	1.40	534,823
1888.....	21	2,712	.78	146,333
1889.....	34	2,844	1.21	534,274
1890.....	45	3,727	1.21	410,896
1891.....	83	4,021	2.06	983,245
1892.....	34	5,286	.64	880,949
1893.....	130	4,794	2.71	1,902,702
1894.....	19	4,869	.39	240,037
1895.....	41	5,110	.80	441,100
1896.....	56	4,736	1.18	439,400
Totals	618	.....	.....	7,891,464
Averages .....	.....	3,018	1.14	.....

The above percentage of failures is 0.10 greater than for the whole country during the same period.

NEBRASKA.

PROVISIONS OF THE STATE LAW AND MORTALITY OF DEBTORS.

This State has only a voluntary insolvency law, extracts from which are as follows:

No voluntary assignment is valid unless made according to this act (Laws 1883, p. 67, par. 1). Every such assignment shall be of all real and personal property, except what is exempt from execution.

The sheriff and his successor in office of the county in which the assignor resides shall be the assignee.

A failure to record within time avoids the deed as to the property situated in the county where such failure took place, and if the fault of the failure is on the assignee he shall be liable for the amount of the property as to which such assignment shall be avoided. The sheriff is liable on his bond for the assigned property and shall take immediate possession thereof.

Within fifteen days thereafter, county judge shall have meeting of creditors at his office to choose assignee to succeed sheriff. Assignee must be chosen by majority in value and one-third in number of creditors, and only creditors who have verified their debts on oath can vote. The meeting can be adjourned from day to day for three days, and in case of failure to choose the sheriff remains assignee.

All claims shall be filed at time to be fixed by county judge, not less than thirty days nor more than sixty days after meeting of creditors, and all claims not filed within the time are "forever barred."

Money shall be distributed as follows: (1) Fees and allowance to assignee, county judge, sheriff, and officers. (2) Taxes and assessments. (3) Preferred claims. (4) Balance among creditors pro rata. (Par. 24, as amended by laws 1887, p. 98.)

Every assignment shall be void if it gives a preference among creditors, except for labor or wages not exceeding \$100 to any person, or if it require any creditor to release or compromise his demand, or if it reserves any interest in the assigned property, or if it confers any power on the assignee different from the statute, or if the assignor fails to make the inventory required. But an omission of any property will not avoid assignment.

Assignments shall not affect right of creditors to pursue any remedy at law or in equity to collect his claim, neither shall the proving of his claim prevent his attacking validity of assignment.

A debtor has no right of discharge either against the claims of local or foreign creditors in this State. He would have such a right under the provisions of a national bankruptcy law.

The interest of creditors would be promoted by the enactment of a national bankruptcy law, comprehensive in character of the whole subject, both because it would benefit them and their debtors. They do not want their debtors to fail; the securing of customers costs money, and whenever one has been obtained, he is, if he prospers, a source of profit. If he fails voluntarily, or is compelled to fail by the precipitative action by some individual creditor, it is a source of loss to all of them. In the fierce competition between creditors of to-day there is very great need for a law which will prevent any one of them from unnecessarily financially ruining the debtor.

The complete and adequate remedy for the above wrongs is the enactment of a just and complete bankruptcy law.

The statistics of commercial failures for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	66	5,266	1.25	\$221,800
1880.....	106	6,179	1.71	359,919
1881.....	132	7,084	1.86	360,415
1882.....	113	7,848	1.43	450,023
1883.....	100	9,331	1.00	350,700
1884.....	220	10,344	2.13	1,400,396
1885.....	141	12,459	1.13	819,854
1886.....	135	14,543	.93	844,723
1887.....	196	17,158	1.14	644,948
1888.....	248	19,848	1.25	968,620
1889.....	276	21,233	1.30	1,538,718
1890.....	271	22,041	1.23	1,573,500
1891.....	395	20,598	1.43	3,288,365
1892.....	209	20,512	1.02	1,838,291
1893.....	343	20,463	1.68	2,210,613
1894.....	232	20,133	1.15	1,262,473
1895.....	234	19,610	1.19	2,038,060
1896.....	180	14,461	1.24	1,054,177
Totals	3,597	.....	.....	21,225,595
Averages .....	.....	14,915	1.34	.....

The above average percentage of failures is 0.30 greater than for the whole country for the same period.

NEVADA.

STATE LAWS MORE SEVERE THAN ANY BANKRUPTCY LAW.

There is a voluntary and involuntary insolvency law in this State, extracts from which are as follows: *

Involuntary insolvency.—An adjudication of insolvency may be made on the petition of five or more creditors residents of this State, whose debts or demands accrued in this State, and amount in the aggregate to not less than five hundred dollars, provided that said creditors or either of them have not become creditors by assignment within thirty days prior to the filing of said petition. The petition must be filed in the district court of the county in which the debtor resides or has his place of business, and must be verified by at least three of the petitioners, setting forth that such debtor is about to depart from the State with intent to defraud his creditors; or, being absent from the State with such intent, remains absent, or conceals himself to

avoid the service of legal process; or, being insolvent, has suffered his property to remain under attachment or legal process for four days, or has confessed or offered to allow judgment in favor of any creditors, or willfully suffered judgment to be taken against him by default, or has suffered or procured his property to be taken on legal process with intent to give one or more of his creditors preference, or has made an assignment, gift, grant, sale, conveyance, or transfer of his estate, property, rights, or credits, or has been arrested or held in custody by virtue of any civil process of court, founded on any debt or demand, and such process remains in force and not discharged by payment or otherwise for a period of four days; or, being a merchant or tradesman, has stopped and suspended, and not resumed payment within a period of forty days after maturity of any written acknowledgment of indebtedness, unless the party holding such acknowledgment has in writing waived the right to proceed under this subdivision; or, being a bank or banker, agent, broker, factor, or commission merchant, has failed for forty days to pay over any moneys deposited with or received by him in a fiduciary capacity upon demand of payment (Act approved March 3, 1881).

The number of concerns in business in this State have gradually decreased for the last eighteen years. Last year there were only four failures in the State, and for the preceding two years there was only one failure in each year. The liabilities of those who have failed have decreased from \$541,900 in 1880 to \$17,400 in 1896.

The details of failures for the past eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	34	1,661	2.05	\$425,100
1880.....	41	1,588	2.56	541,100
1881.....	24	1,514	1.60	267,000
1882.....	29	1,471	1.93	182,200
1883.....	35	1,411	2.50	310,200
1884.....	23	1,320	1.76	196,800
1885.....	25	1,280	1.92	328,500
1886.....	12	1,299	.99	134,800
1887.....	14	1,370	1.00	45,800
1888.....	9	1,347	.67	54,400
1889.....	13	1,380	.93	44,500
1890.....	10	1,362	.73	170,200
1891.....	6	1,300	.46	60,300
1892.....	8	1,248	.64	27,300
1893.....	4	1,192	.34	79,000
1894.....	1	1,173	.09	3,876
1895.....	1	1,184	.08	8,091
1896.....	4	1,153	.35	17,400
Totals	293	.....	.....	2,897,367
Averages .....	.....	1,347	1.21	.....

The above average percentage is 0.17 greater than for the whole country during the same period. As will be seen above, the fluctuation has been very great, ranging from 0.08 to 2.56.

NEW HAMPSHIRE.

EXTRACTS FROM THE STATE INSOLVENCY LAW.

This State has voluntary and involuntary insolvency laws. An abstract from them is as follows:

One or more creditors having claims against a debtor amounting to three hundred dollars or more may institute proceedings against the debtor in the probate court and compel an assignment by him, if they satisfy the court that he is insolvent. (P. S. C. H., 201.)

If the estate of a debtor pays less than 70 per cent he can not secure a discharge unless by the consent of three-fourths of the number of his creditors. The discharge of an honest insolvent debtor is justified by the same public policy which justifies the exemption of certain property for the head of a family; that is, the public is more interested in having a man who is the head of a family enabled to keep the necessary articles with which to keep house than to have him and his family thrown into the street. This interest of the public is considered paramount to the rights of a creditor, and hence the existence of exemption laws in all of the States. This public policy is not interested in whether or not the estate of a debtor pays all but a fraction of the liabilities or none of them. It ought not to be set aside or disregarded because any percentage of the creditors object. A contract is a contract, and it is equally sacred between the debtor and each one of his creditors. Any number of creditors ought not to be able to set aside or annul the contract between their common debtor and any one or more of his unwilling creditors. The foundation of a discharge is public policy and it ought to operate in behalf of an honest debtor irrespective of the value of his estate or the wishes of his creditors.

The statistics of the failures in this State for the last eighteen years are shown as follows :

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	62	7,295	0.85	\$417,748
1880.....	32	7,462	.43	151,684
1881.....	51	7,655	.66	332,404
1882.....	54	7,639	.71	395,045
1883.....	75	7,813	.96	418,799
1884.....	96	7,955	1.21	572,072
1885.....	79	8,173	.96	563,392
1886.....	48	8,256	.58	429,712
1887.....	48	8,434	.57	203,650
1888.....	56	8,397	.67	458,845
1889.....	49	8,256	.60	449,136
1890.....	47	8,288	.57	383,925
1891.....	45	8,304	.54	215,979
1892.....	35	8,392	.42	276,167
1893.....	57	8,515	.67	480,313
1894.....	47	8,750	.54	326,646
1895.....	58	8,880	.65	405,644
1896.....	90	9,110	.99	1,982,497
Totals	1,029	.....	.....	8,463,718
Averages .....	.....	8,199	.70	.....

The above average percentage of failures is 0.34 less than for the whole country.

NEW JERSEY.

A GOOD SHOWING AS TO FAILURES.

There is an assignment law in this State.

A debtor will be discharged from the claims of such creditors as prove their claims against his estate. Such creditors as do not prove their claims will be entitled to secure a judgment against him and renew them from time to time while he lives. The generous and con-

siderate creditors will receive their share of the estate, whatever it may be, and thus permit him to enjoy a discharge as against the demands of their claims. This generous conduct on their part will enable his more astute creditors to collect their claims after he shall have been relieved from the obligations of the claims of his generous creditors. The result of the enactment of a wise bankruptcy law would not in this manner give the advantage to the less considerate creditors, but they would be permitted to share in the estate, and a discharge would be granted to every honest debtor irrespective of the inclination of his creditors.

The statistics of failures for the last eighteen years in this State are shown by the following table:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	143	20,104	0.71	\$61,201,081
1880.....	89	21,161	.42	984,556
1881.....	77	21,633	.36	4,536,346
1882.....	113	22,786	.50	1,871,998
1883.....	121	23,949	.50	2,182,425
1884.....	119	25,172	.47	1,319,339
1885.....	122	26,282	.46	949,649
1886.....	111	27,499	.40	622,218
1887.....	120	29,849	.40	1,722,971
1888.....	151	30,875	.49	1,485,847
1889.....	128	32,157	.40	1,469,846
1890.....	154	33,186	.46	2,779,871
1891.....	187	34,384	.54	4,479,534
1892.....	138	36,353	.38	1,504,851
1893.....	322	37,853	.85	4,783,805
1894.....	212	37,526	.56	3,351,766
1895.....	182	37,260	.49	3,612,488
1896.....	193	36,792	.52	3,204,680
Totals	2,682	.....	.....	42,063,276
Averages .....	.....	29,707	.52	.....

The average percentage of failures as above is only one-half of what it has been in the whole country for the same period.

NEW YORK.

STATE LAWS AND COMMERCIAL FAILURES.

There is an assignment law, but no voluntary or involuntary insolvency law in this State.

The debtor is not entitled under the provisions of this law to a discharge.

Creditors of equal rights are entitled to equal remedies; at least, that ought to be, but they are not under the laws of this State. There should be a just national bankruptcy law. What good reason is there why the industries and commerce of such a great State should be left to the inadequate provisions of local laws for their government?

Why should the debtors and creditors of this great State, who purchase raw materials and property of all sorts for conducting their enterprises and business from all the States of the Union, and in turn sell their finished products all over the country, be without the protection of a just bankruptcy law?

The statistics of the commercial and industrial failures for the last eighteen years in this State are shown in the following table:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	1,304	109,459	1.19	\$21,693,347
1880.....	876	114,096	.76	25,077,510
1881.....	817	116,441	.70	19,525,388
1882.....	899	118,980	.76	28,356,525
1883.....	1,130	124,354	.91	39,004,933
1884.....	1,424	130,180	1.09	88,825,615
1885.....	1,183	132,902	.89	27,874,337
1886.....	1,149	136,568	.84	22,265,755
1887.....	1,069	141,177	.75	49,114,730
1888.....	1,289	145,481	.88	25,004,849
1889.....	1,174	147,766	.79	26,846,613
1890.....	1,324	149,168	.86	52,521,126
1891.....	1,349	148,948	.91	33,991,960
1892.....	1,119	154,024	.75	16,799,937
1893.....	1,916	152,054	1.26	84,923,844
1894.....	1,976	95,236	2.08	36,858,225
1895.....	1,940	147,216	1.32	45,225,534
1896.....	2,173	140,200	1.55	46,632,142
Totals.....	24,111	.....	.....	690,542,370
Averages.....	.....	133,562	1.00	.....

The above average percentage of failures is 0.04 less than it has been during the same period for the whole country.

NORTH CAROLINA.

ABSTRACT FROM STATE LAWS AND TABLE OF COMMERCIAL FAILURES.

There is a voluntary assignment law, abstracts from which are made as follows:

Every insolvent debtor may present a petition to the superior court, praying that his estate may be assigned for the benefit of his creditors, and that his person may thereafter be exempted from arrest or imprisonment on account of any judgment previously rendered, or of any debts previously contracted.

On receiving the petition the clerk of the court shall post a notice at the court-house door and three other public places in the county for four successive weeks, requiring all creditors to show cause within thirty days after publication why the prayer of the petitioner should not be granted. The publication may be made for three weeks in a newspaper published in the county in lieu of at court-house door, etc.

If no creditor oppose the discharge the clerk shall enter an order of discharge and appoint a trustee of all the estate of such insolvent.

Any creditor may suggest fraud by answer under oath setting forth the particulars, and as many creditors as choose may make themselves parties to the issue of fraud, but the insolvent shall not be required to answer the issue of fraud in more than one case. The issue of fraud shall be entered on the trial docket of the superior court, to stand for trial as other cases. If the issue is found for debtor, he shall be discharged; if against him, he shall be imprisoned until he make a full and fair disclosure.

Falsely swearing to petition or inventory is punishable as perjury in other cases, and the party is forever afterwards deprived of benefits of insolvent law.

If insolvent is kept in prison and is unable to defray prison charges, the creditor at whose instance he is imprisoned must pay such charges, and sheriff can recover the same from such creditor by suit. And if creditor failed to give security for such prison charges after twenty days' notice, the debtor shall be discharged.

Preferential assignments are not allowed. Accepting a dividend out of the fund when there has been an assignment for creditors does not discharge debtor from the residue of the debt.

A general assignment for benefit of creditors will not affect a levy made under an attachment prior to such assignment.

From and after January 1, 1894, the following provision went into effect: Upon the execution of a voluntary deed of trust or assignment for the benefit of creditors, all debts of the maker thereof become due and payable at once.

The debtor may secure a discharge upon application to the court, but such discharge will only operate as against creditors in that State. The result of a debtor securing a discharge against home creditors and not against foreign creditors gives foreign creditors an advantage to which they are not in equity entitled. Under the proposed bankruptcy law home and foreign creditors of the same class would enjoy identical rights.

If creditors were protected by the enactment of an equitable bankruptcy law, the hazard of giving credit would not be so great, because, first, every debtor would be held to a stricter accountability than under existing laws, and, second, their fellow-creditors would not be permitted to secure voluntary or enforced preferences.

When credit is protected, those who need it in promoting their enterprise and conducting their business are enabled to secure larger loans and purchase more goods than when the laws are permissive of wrongdoing. For the same reasons those who have credit to give find more ready takers than when the giving and receiving of such credit is hampered by the existence of bad laws.

Good laws, good men, and prosperity go together.

The relationship of failures to those engaged in business in this State for the last eighteen years is shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879	100	7,013	1.43	\$1,000,290
1880	53	7,188	.74	411,658
1881	83	7,868	1.05	591,874
1882	134	8,585	1.55	931,822
1883	154	9,305	1.65	1,357,806
1884	170	9,714	1.75	1,241,621
1885	169	9,475	1.78	104,113
1886	113	9,311	1.21	969,961
1887	145	9,755	1.48	1,008,932
1888	151	10,360	1.46	1,408,924
1889	197	10,724	1.84	1,384,754
1890	109	11,833	.92	670,640
1891	128	13,139	.97	1,381,706
1892	107	11,068	.97	1,059,732
1893	200	11,472	1.74	2,416,551
1894	139	11,306	1.23	1,901,810
1895	103	11,406	.90	1,231,747
1896	79	12,242	.65	671,305
Totals.....	2,334	.....	.....	20,775,246
Averages .....	.....	10,098	1.28	.....

The average percentage of failures in the whole country for the above term has been 1.04; that is, 0.24 less than the above.

NORTH DAKOTA.

A GOOD SHOWING UNDER THE STATE INSOLVENCY LAW.

This State has laws for both voluntary and involuntary insolvency, an abstract from which is as follows:

Any person residing in this State owing debts provable in insolvency to the amount of five hundred dollars, or who (1) departs from the State with intent to defraud his creditors, or, being absent, remains absent with such intent; (2) or conceals himself to avoid the service of legal process in any action for the recovery of such debts; (3) or conceals any of his property to avoid its being seized on legal process; (4) or makes any assignment, gift, sale, conveyance, or transfer of property, rights, or

credits, or allows or suffers a judgment against himself, or allows or suffers his property to be taken on legal process with intent to give a preference to one or more of his creditors, or to any person or persons who are or may be liable for him as indorsers, sureties, or otherwise, or with the intent by such disposition of his property to defeat or delay the operation of the insolvency law; (5) or who, being insolvent, has suffered execution for five hundred dollars or more to be returned unsatisfied, or, being a merchant or tradesman, has suspended and not resumed payment of commercial paper for thirty days for five hundred dollars or more, unless the party holding such paper has in writing waived the right to proceed in insolvency, shall be deemed to have committed an act of insolvency and become liable to be adjudged an insolvent, and proceedings in insolvency may be commenced by the filing of a verified petition of one or more creditors, the aggregate of whose provable debts amount to at least four hundred dollars.

It does not seem that anyone living in a State where such a law as the foregoing has been enacted and is working successfully ought to have any objection to the proposed bankruptcy bill.

The discharge of a debtor is made upon application to the court, but such discharge, if granted, will not be a bar to the claims of creditors living in other States.

A table showing the commercial and industrial failures for seven years is as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1890.....	13	2,852	0.46	\$96,264
1891.....	14	3,009	.47	181,041
1892.....	10	3,154	.32	95,000
1893.....	24	3,597	.67	261,616
1894.....	14	3,616	.39	568,400
1895.....	10	4,024	.25	459,597
1896.....	8	4,299	.19	95,062
Totals	93	.....	.....	1,756,980
Averages .....	.....	3,507	.38	.....

The average percentage of failures for the whole country for eighteen years above has been 1.04; that is, 0.66 greater than for the above seven years.

Prior to 1890 this State was reported in connection with South Dakota. See combined table published under the heading of South Dakota.

OHIO.

ABSTRACT FROM LAWS AND TABLE OF FAILURES.

There is a voluntary insolvency law, an abstract from which is as follows:

When any person, partnership, association, or corporation makes an assignment to a trustee of any property, money, rights, or credits in trust for the benefit of creditors, such assignee must, within ten days after the delivery of the assignment to him, and before disposing of any property so assigned, appear before the probate judge of the county in which the assignor resided at the time of executing the assignment, cause the original assignment, or a copy thereof, to be filed in the probate court and enter into an undertaking, payable to the State of Ohio, in such sum and with such sureties as shall be approved by the judge, conditioned for the faithful performance, by said assignee, of his duties, according to law; any such assignment will take effect only from the time of its delivery to the probate judge, and it may be delivered by the assignor to the probate judge either before or after its delivery to the assignee.

Whenever creditors, who own not less than one thousand dollars of debts against the assignor, petition the court for permission to elect a trustee, the court must fix a time for holding the meetings and cause notice to be sent to the creditors; and if creditors representing fifty per centum or more of the indebtedness are present at such meeting, they may proceed to elect such trustee, a majority in value of the debts

so represented being necessary to a choice; and if the court approve the choice, and the person elected appears within ten days and gives bond, the court must appoint him the trustee and remove the preceding assignee or trustee.

Creditors must present their claims, within six months after the publication of the notice provided for as above stated, to the assignee or trustee for allowance, and the assignee or trustee must indorse his allowance or rejection thereon.

All taxes assessed on personal property and wages, not exceeding three hundred dollars, due and earned within twelve months preceding the assignment are preferred claims. These preferences shall not affect securities given or liens obtained in good faith for value, but judgments by confession on warrant of attorney rendered within two months prior to such assignment, or securities given within such time to create a preference among creditors or to secure a preexisting debt other than upon real estate for the purchase money thereof, shall be of no force as against such claims for labor to the extent above provided.

Dividends are payable at the expiration of eight months from the appointment and qualification of the assignee, and as often afterwards as may be deemed proper by the probate judge. Notice of such dividend must be given by advertisement in a newspaper.

The debtor can make no assignment which will, under the State laws, thereby release him or entitle him to a discharge from his liabilities; nor will proving claim or accepting dividend by creditor operate of itself as a discharge of the debtor, but such dividend will be payment on account. Preferences in a general assignment are not allowed. But a creditor may be preferred before a general assignment has been made. The supreme court has recently decided that an insolvent corporation about to make an assignment can not prefer any of its creditors. (R. S., par. 6335 et seq.) A bona fide attachment issued and levied prior to an assignment will not be affected by a subsequent assignment of the debtor under the assignment laws of this State. (R. S., 6348, 6355; 860 L., 202.)

A debtor can not secure a discharge either from home or foreign creditors except by their voluntary surrender, or unless their claims become barred by the statute of limitations.

Creditors for the most part must rely upon the State laws and submit to the rule of "first come, first served," although they may be the last to come to share with the first to come.

The presence upon the statute books of a national bankruptcy law as contemplated by the Federal Constitution at the time of its adoption would make secure and permanent the rights of both debtors and creditors.

A table of the commercial failures in this State for the last eighteen years is as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	334	51,298	0.65	\$4,407,875
1880.....	190	53,005	.36	1,840,559
1881.....	235	55,790	.42	2,799,873
1882.....	335	59,433	.56	3,452,551
1883.....	615	61,921	.99	12,250,848
1884.....	664	64,654	1.02	12,695,921
1885.....	679	67,339	1.01	7,666,408
1886.....	580	66,812	.86	6,841,558
1887.....	516	69,870	.74	8,825,150
1888.....	538	71,516	.75	5,796,806
1889.....	501	72,219	.68	7,894,098
1890.....	555	75,438	.74	6,791,213
1891.....	578	77,069	.75	6,845,748
1892.....	486	78,737	.62	5,202,638
1893.....	855	78,363	1.09	21,124,643
1894.....	711	84,261	.84	6,963,695
1895.....	718	85,146	.84	10,043,789
1896.....	873	75,279	1.16	12,389,602
Totals	9,963	.....	.....	143,832,975
Averages .....	.....	69,342	.80	.....

The above average percentage of failures is 0.24 less than for the whole country during the same period.

OREGON.

A LARGE PERCENTAGE OF FAILURES.

There is an assignment law in this State.

A voluntary insolvent debtor will be entitled to a discharge if his estate pays 50 cents on the dollar of the claims of creditors; otherwise he will not be entitled to a discharge. Suppose the property of an honest debtor is devastated by a cyclone, or in any other way for which he is not at all to blame, and as a result only pays 49 cents on the dollar, or any smaller sum, why should he be denied a discharge? The right to a discharge is because of a wise public policy, and not because of the value of an estate. An honest debtor ought to be discharged, irrespective of the percentage paid by his estate. A dishonest debtor ought not to be discharged, although his estate might pay 99 cents on the dollar.

Creditors residing in this State, and out of it, for that matter, would more readily give credit to debtors who need it if there was a national bankruptcy law in force, as provided by the Federal Constitution, pursuant to which their debtors would not be permitted to make away with their property by giving preferences or otherwise, and under which creditors of equal rights would have equal remedies.

The statistics with regard to commercial failures in the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	55	3,060	1.80	\$438,045
1880.....	71	3,527	2.03	674,342
1881.....	33	3,702	.89	296,214
1882.....	35	4,027	.87	193,500
1883.....	93	4,445	2.11	955,106
1884.....	220	2,642	8.45	1,457,500
1885.....	162	5,503	2.95	738,100
1886.....	127	5,732	2.22	717,900
1887.....	129	6,167	2.08	647,200
1888.....	139	6,273	2.21	1,086,000
1889.....	66	6,685	.98	250,300
1890.....	86	7,027	1.22	591,500
1891.....	157	7,452	2.11	679,600
1892.....	215	7,871	2.73	1,615,100
1893.....	221	7,837	2.82	1,957,100
1894.....	207	7,534	2.75	2,542,492
1895.....	216	7,787	2.77	1,758,511
1896.....	178	7,568	2.35	1,664,402
Totals	2,410	.....	.....	18,262,912
Averages .....	.....	5,824	2.30	.....

During the above years the average percentage of failures for the whole country has been only 1.04; that is 1.26 less than the above. As the people in this State are certainly as honest and competent as in other States, it seems reasonable to conclude that the very large mortality among debtors as above must be due to the fact that debtors and creditors are not properly protected under their laws. They would be amply protected under a comprehensive bankruptcy law.

PENNSYLVANIA.

THE NEED FOR A NATIONAL BANKRUPTCY LAW.

There is an assignment law in this State.

A debtor in this State is not entitled to a discharge under the law. Having contracted a debt, he must either pay it or remain liable for it as long as he lives, unless the creditor "signs off" or permits the statute of limitations to run.

The creditors are without protection as between themselves in the matter of their claims against a common debtor.

The enactment of a national bankruptcy law would entitle an honest debtor to a discharge in the event of failure. It would enable every creditor to receive his equitable share of the estates of bankrupts against whom he unfortunately held claims.

The enactment of such a law by Congress as is contemplated by the Federal Constitution would reduce the hazard of business, extend credit, reduce fraud, lessen the expense of the administration of the estates of those who fail, and in every respect promote the interests of those who give and those who receive credit.

A table showing the commercial failures in this State for the past eighteen years is as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	711	81,633	0.87	\$11,328,765
1880.....	422	82,552	.51	6,785,724
1881.....	384	83,362	.46	6,195,309
1882.....	540	86,801	.62	9,661,702
1883.....	705	92,409	.76	13,571,420
1884.....	878	99,884	.88	19,232,165
1885.....	952	78,959	1.20	12,856,106
1886.....	822	106,526	.77	8,392,081
1887.....	934	83,565	1.12	15,308,192
1888.....	904	109,699	.82	10,499,768
1889.....	1,071	87,167	1.23	19,064,340
1890.....	1,161	114,804	1.11	17,869,465
1891.....	1,283	117,633	1.09	25,447,587
1892.....	955	122,780	.78	10,576,943
1893.....	1,398	125,726	1.11	58,253,969
1894.....	1,433	100,824	1.42	15,685,058
1895.....	1,349	133,062	1.01	11,739,947
1896.....	1,549	130,080	1.19	23,612,596
Totals.....	17,451	.....	.....	296,081,137
Averages.....	.....	102,081	.95	.....

The above average percentage of failures is 0.09 less than it has been during the same time for the whole country. Even this small percentage would be reduced, it seems reasonable to believe, under the provisions of a wise bankruptcy law.

RHODE ISLAND.

PROVISIONS OF LAWS AND TABLE OF FAILURES.

There is a voluntary and an involuntary insolvency law, an abstract of which is as follows:

And any person being an inhabitant of this State shall be adjudged insolvent (upon the petition to the appellate division of the supreme court by one or more of his creditors holding in the aggregate claims not less than one-fourth in amount of all the debts as they appear at the time of adjudication of insolvency), "if he has within four months prior to the filing of the petition in insolvency against him, as hereinafter provided, procured, or suffered to remain for forty days, any attachment of or levy upon his property, with intent to give or suffer a preference to be obtained thereby; or, being insolvent, has suffered judgment to be entered against him in

this State or elsewhere, or has made a conveyance, gift, or transfer of all or any part of his property, assets, or rights, with intent to hinder, delay, or defraud his creditors; or has made an assignment for the benefit of his creditors; or has procured or suffered a judgment to be entered against himself with the intent to hinder, delay, or defraud his creditors; or has secreted his property or assets to avoid their being levied upon or attached under process against him, with intent to hinder, defraud, or delay his creditors; or has suffered an execution against him to be returned nulla bona; or, while insolvent, has, for the purpose of giving a preference, made a conveyance, mortgage, pledge, or transfer of any of his property or assets; or, while insolvent, has suffered any of his property or assets to be taken or levied upon by process of law or otherwise; or, while insolvent, has permitted the creation of any lien upon any of his property; or has, within four months next prior to the filing of the petition against him, obtained credit by knowingly in writing making a false statement or representation involving his financial condition, property, or ability to pay; or, being a trader, has failed to make payment of any of his commercial paper for the period of thirty days after maturity thereof.

A debtor may be discharged upon application to the court, irrespective of the amount paid by his estate in dividends or the wishes of the creditors.

Creditors in this State are not only interested in the enjoyment of their equitable rights as against a common debtor, but as between themselves. These rights ought to extend not only to transactions in this State, but to transactions in other States.

Statistics as to the commercial failures for the last eighteen years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	95	5,083	1.87	\$3,094,562
1880.....	79	5,175	1.55	958,707
1881.....	77	5,258	1.45	1,612,011
1882.....	96	5,668	1.68	2,155,419
1883.....	109	5,925	1.84	3,251,792
1884.....	136	6,330	2.15	3,285,269
1885.....	126	6,749	1.88	1,248,591
1886.....	92	7,047	1.31	725,547
1887.....	122	7,306	1.67	3,127,662
1888.....	132	7,738	1.70	1,226,886
1889.....	130	8,142	1.60	10,048,642
1890.....	107	8,241	1.30	4,036,647
1891.....	102	8,608	1.19	1,541,341
1892.....	136	8,799	1.55	1,277,492
1893.....	181	8,920	2.03	1,034,630
1894.....	187	9,320	2.01	1,480,566
1895.....	202	9,602	2.10	3,771,397
1896.....	125	9,496	1.32	2,721,020
Totals.....	2,234	.....	.....	46,598,181
Averages.....	.....	7,411	1.67	.....

During every one of the above eighteen years the average percentage of failures in this State has been greater than the average percentage for the whole country during the entire time, i. e., 1.04.

SOUTH CAROLINA.

STATE LAWS AND FAILURES.

This State has an assignment law, but no law for voluntary or involuntary insolvency.

The debtor is not entitled to a discharge, although not at fault for his failure.

Why should an honest insolvent debtor not be entitled to a discharge which would give him an opportunity to start financial life anew, not only for his own benefit and that of his dependants, but that for the State in which he lives? Such a law was contemplated by

the Federal Constitution at the time of its adoption, one hundred and twenty-one years ago.

The enactment of a just bankruptcy law would greatly benefit both debtors and creditors in this State.

The rights of creditors would be more secure under the bankruptcy law than under existing laws. Such a law would not interfere with the individual rights of creditors against their debtors, unless such debtors make themselves liable to be adjudged bankrupts by committing acts of dishonesty, or becoming insolvent and unable or unwilling to protect their property from an inequitable distribution between their creditors.

The statistics for the last eighteen years of the commercial failures are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	73	4,662	1.57	\$2,497,740
1880.....	48	5,182	.92	393,230
1881.....	90	5,419	1.66	684,558
1882.....	93	5,794	1.61	908,542
1883.....	93	6,120	1.52	1,151,666
1884.....	102	6,437	1.59	877,065
1885.....	119	6,470	1.83	1,428,578
1886.....	111	6,726	1.65	1,053,774
1887.....	78	6,973	1.11	1,073,827
1888.....	60	7,153	.92	424,867
1889.....	82	7,418	1.11	928,317
1890.....	72	7,316	.98	419,915
1891.....	82	8,424	.97	518,908
1892.....	99	7,956	1.24	764,458
1893.....	83	7,678	1.08	735,394
1894.....	97	7,741	1.25	2,121,815
1895.....	102	7,639	1.34	1,263,903
1896.....	76	7,140	1.06	973,953
Totals.....	1,566	.....	.....	18,220,510
Averages.....	.....	6,791	1.28	.....

The above average percentage of failures is 0.24 greater than it has been for the whole country during the same period.

SOUTH DAKOTA.

RESULTS OF SEVEN YEARS OF STATE INSOLVENCY LAWS.

In this State there are no laws for the discharge of a debtor from his indebtedness, but he must remain liable to all his obligations subject to the will of his creditors unless they surrender their claims or let the statutes of limitation run.

Why should not the debtors and creditors of this State, as well as all others, have the benefits of a national bankruptcy law?

The commercial failures in this State for the last seven years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1890.....	67	5,980	1.12	\$1,182,765
1891.....	32	5,844	.55	509,856
1892.....	19	5,872	.32	92,100
1893.....	61	6,895	.88	359,662
1894.....	29	7,054	.41	72,969
1895.....	12	6,952	.17	100,080
1896.....	16	6,400	.25	101,900
Totals.....	236	.....	.....	2,419,332
Averages.....	.....	6,714	.52	.....

The average percentage of failures for the last seven years as above is just one half what it has been for the whole country for the past eighteen years.

Prior to 1890 this State and North Dakota were reported together. The combined table for the last eighteen years is as follows:

	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	11	1,600	0.69	\$68,000
1880.....	4	2,679	.15	19,000
1881.....	12	2,844	.43	121,108
1882.....	33	6,744	.48	194,952
1883.....	90	8,256	1.08	1,075,780
1884.....	117	9,370	1.24	729,642
1885.....	88	9,988	.88	404,890
1886.....	100	10,451	.96	765,973
1887.....	114	11,073	1.03	1,151,850
1888.....	105	11,506	.90	1,240,427
1889.....	101	8,150	1.24	610,227
1890.....	80	8,832	.91	1,279,029
1891.....	46	8,853	.52	690,897
1892.....	29	9,026	.32	187,100
1893.....	85	10,474	.81	621,278
1894.....	43	10,670	.43	641,369
1895.....	22	10,976	.20	559,677
1896.....	24	10,699	1.22	196,962
Totals	1,104	.....	.....	10,558,161
Averages .....	.....	8,455	.73	.....

TENNESSEE.

APPARENT NEED FOR A NATIONAL BANKRUPTCY LAW.

There is an assignment and voluntary insolvency law. An abstract of which is as follows:

An insolvent debtor may convey his real or personal property to an assignee (often called a trustee) for the purpose of paying his debts. No debtor shall make preferences between creditors by assignments, deed of trust, mortgage, deed, sale, pledge, or any other transfer or conveyance of all, or substantially all, of his property, estate, or assets, to or for the benefit of a preferred creditor or creditors, and such conveyance shall be illegal and void, and all the property so conveyed shall be distributed pro rata amongst all such debtor's creditors, whether mentioned in the conveyance or not.

Any act of the debtor to give preferences shall be sufficient grounds to authorize any creditor to file a bill in the chancery court for attachment and injunction and appointment of a receiver to take possession and dispose of the property so conveyed for the benefit of all the creditors of such debtor pro rata.

An assignment for the benefit of creditors will not affect a prior levy under attachment or execution. There can be no involuntary proceedings against insolvent debtors for the benefit of creditors.

Acceptance of the benefits of the conveyance by creditors is presumed.

If the assignee fails to execute the terms of the deed properly, any creditor may file his petition in the county or chancery court, have the assignee removed, and another appointed in his stead. (Act approved May 11, 1895, repealing act of April 6, 1881.)

The debtor is not entitled to a discharge under the laws of this State. Having made a contract, his creditor is entitled to his "pound of flesh," although the debtor may be legally excusable for not having complied with its provisions. Why should there not be a humane, comprehensive bankruptcy law in existence pursuant to which every honest unfortunate debtor would be entitled to a discharge, and be thereby given an opportunity to begin financial life anew?

Creditors would be greatly benefited by a comprehensive law containing and providing for the enforcement of the rules of equity, as between

them and their insolvent and dishonest debtors, as well as being an equitable rule for the adjustment of difficulties which so frequently arise between the creditors of a common debtor.

The statistics of the commercial failures for the last eighteen years are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	152	8,738	1.74	\$1,569,671
1880.....	105	9,865	1.07	1,051,219
1881.....	187	11,886	1.50	1,393,353
1882.....	164	12,217	1.34	1,632,864
1883.....	220	13,143	1.68	974,326
1884.....	238	14,321	1.66	1,654,861
1885.....	282	12,414	2.27	1,806,619
1886.....	154	12,605	1.22	1,679,639
1887.....	198	12,875	1.53	1,480,664
1888.....	206	13,553	1.52	1,555,921
1889.....	219	13,982	1.56	2,060,527
1890.....	257	14,474	1.78	6,144,020
1891.....	426	14,874	2.86	6,394,298
1892.....	299	14,631	2.04	2,241,390
1893.....	416	14,275	2.91	6,755,640
1894.....	347	14,108	2.46	3,141,249
1895.....	273	14,371	1.90	2,646,632
1896.....	252	14,840	1.70	2,797,203
Totals.....	4,395	.....	.....	46,980,096
Averages.....	.....	13,176	1.85	.....

The average percentage of failures for the above years has been greater than the average percentage for all of the States during the entire time. The debtors of this State are certainly as honest and competent as those of other States, and it therefore must follow, as it seems, that the great number of failures must be attributed to the want of security under the laws. It seems reasonable that a comprehensive bankruptcy law would protect both debtors and creditors and result in the reduction of the percentage of commercial and industrial failures.

TEXAS.

A LARGE PERCENTAGE OF COMMERCIAL FAILURES.

There is an assignment law, but no voluntary or involuntary insolvency law.

A debtor will be discharged from liability to such creditors as file their claims, in the event only the estate is sufficient to pay one-third of his liabilities.

Under a sound public policy, an honest debtor is entitled to a discharge irrespective of the value of his estate. A debtor whose estate is converted into money by means of sacrifice sales with the result of its paying less than one-third of the amount of the claims is equally entitled to a discharge with a debtor whose estate pays more than that amount.

A discharge is only defensible on the ground of public policy. A public policy is not concerned with the value of an estate, but it is concerned with the honesty of a debtor, and that alone.

The provisions of law denying to a creditor who files his claim against an estate the right to proceed against the debtor for the amount not paid by the estate is a provision in the interest of so-called "sharp" creditors; such creditors wait until the generous ones have filed their claims, and

then proceed to collect, if they can, dollar for dollar of their claims out of the future earnings of the debtor.

Under the provisions of the Federal Constitution, an honest debtor is entitled not to this partial discharge, but to a complete one, and creditors are entitled to the protection of their equitable rights.

A purely voluntary national bankruptcy law, to be in force only for a limited period of time, would, by comparison with a complete permanent law, prove of incalculable harm to honest debtors; it might serve some of the purposes of dishonest debtors, but could not be of any benefit to any other class. Such a voluntary law might secure to the debtor without property a discharge, but it would not secure to him credit which would enable him to again embark in business or to promote enterprises; his creditors would realize that under such a voluntary law the debtor might secure a second discharge and leave them without recourse.

Such a purely voluntary bankruptcy law would be the ruination of debtors who are solvent, but who have large lines of credit in the promotion of their undertakings. That is to say, those who extend credit would not be protected under such a law, and would therefore find it necessary to curtail credits. The result would be that large numbers of solvent debtors would be forced into liquidation because they would not be able to still have the aid of unlimited credit to enable them to accomplish the ends in view.

Transactions on credit are always by mutual consent; in other words, no debtor becomes such except he desires to assume that relationship. No creditor becomes such except by his voluntary consent. A law, therefore, in the interest of one of these classes would be sufficient to deter the other from entering into the arrangement. There is no reason why there should not be a law perfectly comprehensive of the rights of both parties voluntarily creating a debt.

Debtors and creditors, those who receive and those who give credit, realize the necessity of a complete voluntary and involuntary law.

The statistics showing the commercial failures in this State for the last eighteen years are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	159	12,394	1.28	\$1,223,892
1880.....	155	13,302	1.17	1,493,210
1881.....	234	14,523	1.60	2,713,920
1882.....	204	17,246	1.18	1,644,254
1883.....	320	18,857	1.69	3,057,865
1884.....	493	18,774	2.60	4,365,375
1885.....	368	19,636	1.88	3,394,460
1886.....	507	18,381	2.77	5,313,727
1887.....	503	19,084	2.63	7,098,241
1888.....	568	20,747	2.74	4,110,355
1889.....	387	23,392	1.65	4,503,138
1890.....	331	27,968	1.18	4,002,575
1891.....	539	27,735	1.94	8,960,141
1892.....	457	24,240	1.89	5,214,057
1893.....	579	27,465	2.11	5,441,887
1894.....	471	26,800	1.76	3,933,526
1895.....	551	27,489	2.00	4,949,406
1896.....	751	25,731	2.92	10,486,435
Totals.....	7,577	.....	.....	81,906,464
Averages.....	.....	21,320	1.98	.....

The average percentage of failures for the whole country during the above term is 0.94 less than for this State. It seems reasonable that this large percentage of failures would be reduced by the existence of a wise, conservative, and comprehensive bankruptcy law.

UTAH.

RESULTS OF NO ASSIGNMENT OR INSOLVENCY LAWS.

There are no laws relating to assignments or voluntary or involuntary insolvency in this State.

A debtor has no right of discharge.

Creditors in the main proceed under the law of "first come, first served," irrespective of their equitable rights.

Debtors and creditors will fully realize, sooner or later, that the attempt to do business without an adequate law for the protection of credit is hazardous and unsatisfactory. The Federal Constitution provided for the enactment of such a law at the time of its adoption. Can there be any motive except that of selfishness in the opposition to the enactment of such a law? Ought motives of selfishness to prevail as against the rights of honest debtors to a discharge and the rights of creditors to share ratably in the estates of common debtors?

The existence of a national bankruptcy law under which, in the event of financial difficulties, there would be "a square deal all around" would protect debtors and creditors from many dangers which now beset them, diminish the number of industrial and commercial failures, increase the dividends paid by the estates of dishonest and insolvent persons, and as a result increase the volume of transactions on credit and redound to the peace and prosperity of the citizens of the State.

A table of the commercial and industrial failures in this State for the last seven years is as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1890.....	40	3,327	1.21	\$129,550
1891.....	139	3,657	3.80	736,400
1892.....	104	3,933	2.64	628,400
1893.....	191	3,642	5.24	1,884,892
1894.....	279	3,527	7.91	1,616,553
1895.....	167	3,615	4.62	681,658
1896.....	181	3,677	4.92	739,753
Totals	1,101	.....	.....	6,417,206
Averages.....	.....	3,625	4.34	.....

The above average percentage of failures for seven years is 3.30 greater than the average for the whole country for the last 18 years! There is no reason in sight for this condition except the fact that this State has not yet enacted any assignment or insolvency laws, and that Congress has not enacted a national bankruptcy law as provided by the Constitution. Under a comprehensive bankruptcy law it does not seem probable that the hazards of doing business in Utah would be any greater than in the other States. This great percentage of failures among those who are conducting business and promoting enterprises in Utah not only means destruction to the hopes of the debtors and involving a loss to their creditors, but it means that the honest consumers of Utah will have to, in effect, stand this loss in the form of multiple profits to those who supply their necessities until this large percentage of failures is reduced.

VERMONT.

APPARENT BENEFICIAL EFFECTS OF A STATE INSOLVENCY LAW.

There are voluntary and involuntary insolvency laws. An abstract is as follows:

The grounds for an adjudication of involuntary insolvency upon creditor's petition are: If the debtor residing in this State and owing debts exceeding three hundred dollars shall depart from the State with intent to defraud his creditors; or being absent shall with such intent remain absent; or shall conceal himself to avoid the service of legal process or any action for the recovery of a debt or demand provable under the insolvent act; or shall conceal or remove any of his property to avoid its being attached, taken, or sequestered on legal process; or shall make any assignment, gift, sale, conveyance, or transfer of his estate, property, rights, or credits, either within this State or elsewhere, with intent to defraud or hinder his creditors; or who has been arrested and held in custody under or by virtue of mesne process or execution issued out of any court of any State within which such debtor has property, founded upon a demand in its nature provable against an insolvent debtor's estate under the insolvent act, and for a sum exceeding one hundred dollars, and such process is remaining in force and not discharged by payment or in any other manner provided by the laws of the State applicable thereto, for a period of twenty days; or if the debtor, his goods or estate having been attached on mesne or trustee process, or any cause of action founded on contract for the sum of one hundred dollars or upwards has not before the return day of said process dissolved the same by payment, replevin, or otherwise, or given security therefor; or if his goods, chattels, or estate having been levied upon and taken by virtue of any execution issued in any civil action founded on contract to an amount exceeding one hundred dollars, he has not within seven days after said levy shall actually be made dissolved the same by payment or otherwise; or, being insolvent or in contemplation of insolvency, shall make any payment, gift, grant, sale, or conveyance of money or other property, estate, rights, or credits, or confess judgment, or procure his property to be taken on legal process with intent to give preference to one or more of his creditors, or to any person or persons who are or may be liable for him as indorsers, bail, sureties, or otherwise; or with intent by such disposition of his property to defeat or delay the operations of the insolvent act; or, being a banker, broker, merchant, trader, manufacturer, or miner, has fraudulently stopped payment; or being a banker, broker, merchant, trader, manufacturer, or miner, has stopped or suspended payment within a period of forty days of his commercial paper (made or passed in the course of his business as such), such debtor shall be deemed to have committed an act of insolvency, and may be adjudged an insolvent debtor upon the petition of any of his creditors whose claims provable against his estate amount to the sum of two hundred and fifty dollars, filed within ninety days after such act of insolvency. (Act 1876.)

A debtor whose estate pays less than 30 per cent on the dollar of his liabilities must secure the assent of a majority in number and amount of his creditors before he can be discharged. Neither of these limitations would be included in a just national bankruptcy law. An honest debtor ought to be entitled to the same rights as every other honest debtor, irrespective of the amounts actually paid on the dollar by their respective estates. If the creditors are entitled to forbid the discharge of their debtor, whose estate pays less than 30 per cent on the dollar, they ought to be entitled to forbid such discharge when the estate pays a larger percentage.

The right of discharge is founded upon the demand of a wise public policy, and not upon the money value of an estate, or the inclination of creditors. The clemency of a discharge ought to be exercised in behalf of every honest debtor without restriction.

Creditors need a complete comprehensive bankruptcy law not only for their mutual protection against the wrongdoing of a common debtor, but as between themselves.

The statistics for the last eighteen years of the commercial failures are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	63	6,649	0.95	\$359,736
1880.....	32	6,699	.48	251,725
1881.....	22	6,664	.33	155,000
1882.....	39	6,607	.60	147,348
1883.....	45	6,703	.67	5,724,263
1884.....	48	6,642	.72	683,707
1885.....	44	6,518	.68	256,558
1886.....	45	6,543	.68	543,494
1887.....	45	6,603	.68	236,088
1888.....	34	6,629	.51	197,950
1889.....	40	6,378	.63	319,253
1890.....	39	6,437	.61	404,479
1891.....	43	6,471	.66	225,107
1892.....	34	6,704	.51	157,558
1893.....	44	6,794	.65	288,232
1894.....	33	7,001	.47	315,096
1895.....	36	7,176	.50	145,300
1896.....	68	7,034	.97	373,711
Totals	754	.....	.....	10,784,605
Averages .....	.....	6,681	.63	.....

The above showing of average percentage of failures speaks well for the credit of the debtors under the laws of this State, the average percentage of failures being 0.41 less than for the whole country.

VIRGINIA.

SHOWING AS TO LAWS AND FAILURES.

There is an assignment law, but no voluntary or involuntary insolvency in this State.

A debtor is discharged from the creditors who assent to the assignment. Those who do not, may prosecute their claims against him without let or hinderance. In all cases where the bulk of the creditors assent to the assignment, the result is that those who decline to assent stand a very much better show to collect their claims than before the assignment. It seems but reasonable that all creditors of equal rights should be compelled for their own benefit, as well as that of the debtor, to stand upon the same plane.

Creditors are interested in the maintenance of an equitable rule pursuant to which those of the same class will have collective rights as against their common debtor, and as between themselves. Such a rule would greatly diminish the hazard of business and of conducting enterprises; it would diminish the number of failures, because many are precipitated by the indiscreet or unnecessary proceedings of an individual creditor against a debtor; it would greatly diminish the cost of proceedings against insolvent dishonest persons. These results would be secured by the enactment by Congress of a comprehensive bankruptcy law as contemplated by the Constitution.

There is in this State a comprehensive equitable probate law, pursuant to which the estates of deceased persons are administered. Why should there not, for the same reasons, exist a national commercial probate law for the administration of estates of persons who are adjudged bankrupts?

Statistics for the last eighteen years of the commercial failures are as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879	84	10,540	0.80	\$848,666
1880	85	11,021	.77	708,180
1881	98	11,605	.85	670,583
1882	137	12,030	1.14	2,235,299
1883	134	13,149	1.00	1,448,815
1884	193	14,085	1.36	2,415,254
1885	270	14,436	1.88	7,646,023
1886	223	14,499	1.54	1,750,737
1887	138	15,450	.89	1,046,606
1888	168	16,084	1.04	1,927,770
1889	191	15,875	1.20	1,403,900
1890	148	18,413	.80	1,203,525
1891	180	19,514	.92	1,629,163
1892	178	18,301	.97	1,323,659
1893	252	18,003	1.40	2,400,843
1894	267	17,949	1.49	2,026,042
1895	305	10,307	1.67	2,929,414
1896	337	17,051	1.98	3,153,110
Totals	3,388	.....	.....	36,767,589
Averages .....	.....	14,906	1.26	.....

The above showing of average percentage of failures is 0.22 greater than for the whole country during the same term.

WASHINGTON.

APPARENT NEED FOR BETTER LAWS.

There is a voluntary insolvency law, an abstract from which is as follows:

No general assignment of property by an insolvent for the benefit of creditors shall be valid unless it be made for the benefit of all his creditors, in proportion to the amount of their respective claims. All claims to share pro rata with other claims. (Laws 1893, p. 247.)

At any time within thirty days from the making or recording of the assignment, upon the petition of two or more creditors of the debtor to the judge of the superior court of the county in which the assignment is recorded, the superior judge shall direct the clerk of the court to order a meeting of the creditors to choose an assignee of the estate of said debtor, in lieu of the assignee named by the debtor in his assignment. The clerk shall thereupon give notice to all the creditors of said debtor to meet at his office at a time stated, not to exceed fifteen days from the date of such notice, to select one or more assignees in the place of the assignee named by the debtor in his assignment. Such creditors may appear in person or by proxy; and a majority in number and value of said creditors attending such meetings shall select one or more assignees.

Whenever it shall appear to the satisfaction of the court or judge thereof, when the assignment is pending upon the final reports of the assignee chosen by the creditors or otherwise, that the assignor has been guilty of no fraud in making an assignment or concealment or diversion of the property or any part thereof, in order to keep the same beyond the reach of creditors, and has acted justly and fairly in all respects; that the estate has been made to realize the fullest amount possible, and that the expenses of the assignment have been paid, the judge of the court having jurisdiction of the matter shall, upon the allowance of the final account of the assignee, make an order discharging the assignor or assignors, as the case may be, from any further liability on account of any indebtedness existing prior to the making of such assignment, and thereafter such assignor shall be freed from any liability on account of any unsatisfied portion of the indebtedness existing prior to the making of the assignment. (Laws 1895, p. 378, par. 1.)

A debtor may secure a discharge by order of court and without reference to the amount paid by the estate in dividends, or the wishes of his creditors.

Creditors have ample remedy at law against their solvent debtors, but strange as it may seem, they have not adequate remedies as against dishonest and insolvent debtors. It is also true that as among those who have claims against such debtors, there is no law of universal application which protects each one in his rights with reference to every other one. What is needed is a wise national bankruptcy law.

Debtors and creditors, those who by their mutual cooperation make it possible that the enterprises and commerce of the country should be conducted, want a law for their mutual protection and defining with care and in accordance with the rules of equity, what their rights are under all circumstances. Provision was made in the Constitution at the time of its adoption, one hundred and twenty-one years ago, for the enactment by Congress of a national bankruptcy law to cover this subject.

A national bankruptcy law will not apply to the transactions between honest solvent persons, but only to the affairs of dishonest insolvent debtors and their creditors. Such a law is not the rule by which enterprises are conceived, contracts made, or business conducted, but is in the nature of a commercial probate law for adjusting the affairs of debtors who become dishonest or insolvent, and are unwilling or unable to protect their estates from an inequitable distribution among their creditors.

The statistics of the commercial failures for the last eighteen years are shown in the following table:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	58	1,050	5.52	\$171,305
1880.....	13	1,424	.93	80,588
1881.....	12	1,647	.75	99,593
1882.....	20	1,847	1.05	128,300
1883.....	50	2,277	2.17	546,837
1884.....	143	2,694	5.29	841,200
1885.....	113	3,245	3.53	588,200
1886.....	63	3,455	1.85	420,650
1887.....	54	3,861	1.40	233,500
1888.....	65	4,572	1.42	410,000
1889.....	119	8,041	1.48	1,235,500
1890.....	266	9,857	2.70	2,030,800
1891.....	309	11,857	2.61	2,274,700
1892.....	196	12,957	1.51	992,300
1893.....	272	12,555	2.17	3,968,000
1894.....	180	7,971	2.26	2,073,680
1895.....	160	8,108	1.97	1,579,078
1896.....	149	7,933	1.88	1,891,945
Totals	2,242	.....	.....	19,600,289
Averages .....	.....	5,853	2.13	.....

The above average percentage of failures is 1.09 greater than for the whole country during the same period. There does not seem to be any reason for this excess other than the imperfections of the State laws.

WEST VIRGINIA.

SHOWING AS TO LAWS AND FAILURES.

There is an assignment, but no voluntary or involuntary insolvency, law in this State.

An insolvent debtor does not enjoy the right of discharge under this law.

Every insolvent debtor in this State is entitled under the Federal Constitution to be discharged. But because Congress has neglected for eighteen years to enact that bankruptcy law, he is denied this right. Honest insolvent debtors should be discharged for their own good, for the good of their dependents, and the communities in which they live.

Creditors would individually and collectively be benefited by the existence of a just national bankruptcy law. It would prevent their taking advantage of one another with relation to the affairs of a common debtor, and it would in a great number of cases prevent one of them from financially ruining the common debtor and depriving the associate creditors of their rights.

The debtors and creditors prosper the best in States where there are comprehensive equitable laws protecting them in all their rights. Their best interests would be promoted by the enactment of such a law under the provisions of the Federal Constitution for the enactment by Congress of "uniform laws on the subject of bankruptcies throughout the United States."

A table of the commercial and industrial failures for the last eighteen years is as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	27	5,743	0.47	\$124,000
1880.....	14	6,191	.23	96,105
1881.....	41	6,454	.63	188,233
1882.....	45	6,791	.66	389,458
1883.....	55	7,545	.73	407,053
1884.....	66	7,996	.82	605,560
1885.....	96	8,244	1.17	751,327
1886.....	77	8,177	.95	548,783
1887.....	57	8,513	.67	385,631
1888.....	69	9,291	.74	442,974
1889.....	77	9,201	.84	336,943
1890.....	67	10,270	.65	407,024
1891.....	72	9,847	.73	349,900
1892.....	39	10,650	.37	161,800
1893.....	54	10,541	.51	222,312
1894.....	100	10,594	.94	532,279
1895.....	69	10,408	.66	691,324
1896.....	78	10,827	.72	1,064,226
Totals.....	1,103	.....	.....	7,704,932
Averages.....	.....	8,738	.70	.....

The above average percentage of failures is 0.34 less than for the whole country during the same time.

WISCONSIN.

ABSTRACT FROM STATE LAWS AND TABLE OF FAILURES.

There is a voluntary insolvency law, an abstract from which is as follows:

An insolvent debtor may be discharged from his debts in the following manner: He must present to the circuit court of the county in which he resides, or the presiding judge thereof, a petition praying to be discharged, and must annex to and deliver with his petition a schedule containing: (1) A full and true account of all his creditors; (2) place of residence of each creditor; (3) the sum owing each creditor, the nature of each demand, whether on written security, on account, or otherwise; (4) the true cause and consideration of such indebtedness, and where accrued; (5) a statement of any existing mortgage, collateral, or other security for payment of such debt, and a full and true inventory of all his estate, both real and personal; and all choses in action, debts due, and moneys on hand; of the incumbrances existing thereon, and all the books, vouchers, and securities relating thereto. (Par. 4282 and par. 4283.) An affidavit must be attached to such petition to the effect that the account of his creditors and the inventory of his estate are in all respects true and just, and that he has not at any time or in any manner whatsoever disposed of or made over any part of his estate for the future benefit of himself or his family, or in order to defraud any of his creditors; and that he has in no instance created or acknowledged a debt for a greater sum than he honestly or truly owed; and that he has not paid or secured to be paid, or in any way compounded with his creditors with the view fraudulently to obtain his discharge. (Par. 4284.)

Upon the filing of such petition, schedule, and affidavit, the court or judge must make an order requiring all creditors of such insolvent to show cause, if any they have, why an assignment of the insolvent's estate should not be made and he be discharged from his debts, and appointing a day for the hearing thereof, and that notice of its contents be published in a newspaper published at the seat of government in the State, and in a newspaper published in the county; and also serve personally or by mail, at least twenty days before the date of such hearing, a copy of such order on each creditor named or included in the petition, if such creditor's residence or post-office address be known; and if one-fourth part in amount of the debts owing by such insolvent shall have accrued in any other State or Territory, or be due to creditors residing there, such order shall designate a newspaper at the seat of government of such State or Territory in which such notice shall be published. The notice must be published once a week for ten successive weeks, unless all creditors reside within the State, when the notice need only be published for six successive weeks. At the time fixed in such order the court or judge shall hear the proof and allegations of the parties.

Creditors may oppose the discharge of an insolvent debtor at the hearing and demand a trial by jury, and shall be entitled to trial by jury upon filing a specification in writing of the grounds of their objections to his discharge.

Appeals may be taken to the supreme court by the insolvent or any creditor from the order granting or denying the discharge.

There is no involuntary insolvent law.

A debtor may secure a discharge upon application to the court without reference to the percentage which his estate pays in dividends, or the consent or nonconsent of his creditors.

Debtors and creditors would be mutually benefited by the enactment of a national bankruptcy law pursuant to which their affairs could be adjusted.

The credit of every debtor in the State would be stronger and enlarged by the passage by Congress of a comprehensive bankruptcy law as provided by the Federal Constitution. The passage of such a law would be the equivalent of an inheritance from a deceased relative, because it would increase the credit of every man promoting enterprises or conducting business. Under present laws, if a debtor becomes involved his creditors individually proceed to institute suits with the result of his being financially ruined, and of a large part of the estate being consumed in the costs. Under a national law the result would be quite different. The creditors would proceed collectively at very small cost

to secure the administration of the estate. The debtor, if honest, would be discharged and given an opportunity to begin his financial life anew.

The interest of creditors would be greatly promoted by such a law, because concerted action on their part as against an insolvent dishonest debtor would necessarily be more effective than where each one brought suit for himself. Such a law would also secure to each one as between themselves his equitable rights.

A national bankruptcy law is quite as important to the industrial and commercial world as a probate law is necessary to those who die.

A table of the commercial failures for the last eighteen years is as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	145	19,590	0.74	\$1,886,345
1880.....	74	21,728	.34	560,207
1881.....	77	22,919	.34	1,469,616
1882.....	97	24,411	.40	1,106,942
1883.....	173	25,803	.67	2,867,432
1884.....	170	26,497	.64	4,252,470
1885.....	169	27,722	.61	1,259,006
1886.....	188	28,517	.65	1,940,167
1887.....	152	29,404	.52	2,380,950
1888.....	211	30,367	.69	2,272,182
1889.....	202	31,414	.64	2,469,035
1890.....	164	33,041	.50	3,129,201
1891.....	172	34,231	.50	3,324,330
1892.....	190	35,993	.53	2,009,238
1893.....	242	38,373	.63	6,783,297
1894.....	262	38,521	.68	4,079,124
1895.....	323	39,257	.82	3,944,530
1896.....	357	36,587	.97	7,334,953
Totals	3,368	.....	.....	53,069,025
Averages .....	.....	30,243	.62	.....

The above average percentage of failures is 0.42 less than for the whole country during the same period.

WYOMING.

APPARENT NEED FOR A NATIONAL BANKRUPTCY LAW.

There is an assignment, but no voluntary or involuntary insolvency, law in this State.

A debtor is discharged from those creditors who accept a dividend from his estate. If he has no estate, he is not discharged; he is not relieved by those who decline to accept a dividend when there is one. As a result he is left without a discharge from those who decline to accept what his estate pays. The condition would be quite different to an honest debtor under the provisions of a national bankruptcy law. That is, he would receive a discharge and be given an opportunity to begin financial life anew.

Creditors are individually and collectively interested in having enacted a comprehensive national bankruptcy law, because under its provisions their rights as against a common debtor would in a sense be collective, and hence could be more readily enforced and at smaller cost; in addition, their rights as between themselves would be enforced.

Under present conditions the administration of the estates of insolvent and dishonest debtors is very expensive and quite unsatisfactory. Under the provisions of a national bankruptcy law, which Congress

alone has power to enact under the Federal Constitution, their rights would be easily understood and as easily enforced.

The provisions of a national bankruptcy law would not apply to the affairs of more than about one in a hundred annually, but in such cases it would constitute an equitable rule for the financial interests of all persons connected therewith.

The commercial and industrial failures for the last seven years are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1890	2	988	0.20	\$5,000
1891	4	916	.44	23,000
1892	7	1,065	.66	44,000
1893	10	1,205	.83	29,400
1894	30	1,210	2.48	349,700
1895	30	1,055	2.84	155,450
1896	20	1,022	1.95	23,347
Totals	103	.....	.....	629,897
Averages .....	.....	1,066	1.38	.....

The average percentage of failures for the whole country has been 0.34 less than the above for the seven years.

Prior to 1890 the statistics as to Wyoming were included with those of other Territories, as follows:

Alaska, Arizona, District of Columbia, Idaho, Indian Territory, New Mexico, Oklahoma, Utah, and Wyoming.

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879	67	6,091	1.02	\$665,375
1880	41	7,121	.79	360,439
1881	50	8,432	.59	876,004
1882	86	9,576	.90	1,030,950
1883	179	9,974	1.80	1,896,741
1884	128	10,694	1.20	1,983,781
1885	127	12,025	1	1,143,840
1886	91	12,234	.74	981,870
1887	133	13,495	.99	2,321,721
1888	135	13,774	.98	2,353,515
1889	119	15,100	.79	923,745
1890	154	15,890	.97	1,110,650
1891	261	16,397	1.59	1,695,959
1892	224	18,284	1.17	1,640,111
1893	433	19,516	2.22	4,669,786
1894	587	19,896	2.95	3,878,375
1895	453	20,073	2.35	2,712,750
1896	435	19,750	1.71	2,728,658
Totals	3,703	.....	.....	32,954,278
Averages .....	.....	13,796	1.49	.....

The average percentage of failures for the whole country has been 0.45 less than the above for the same time.

ALL OF THE STATES AND TERRITORIES.

A VERY SMALL PERCENTAGE OF FAILURES FOR THE WHOLE COUNTRY.

A recapitulation for the years 1879 to 1896, inclusive, of the number of failures of persons, firms, and corporations engaged in commercial and industrial pursuits, the average number so engaged, the percentage of the former to the whole number, and their total liabilities in dollars, are shown as follows:

Year.	Number of failures.	Number engaged in business.	Per cent of failures.	Total liabilities.
1879.....	6,658	702,157	0.95	\$98,149,053
1880.....	4,735	746,823	.63	65,752,000
1881.....	5,582	781,689	.71	81,155,932
1882.....	6,738	822,256	.82	101,547,566
1883.....	9,184	863,993	1.06	172,874,172
1884.....	10,968	904,759	1.21	226,363,621
1885.....	10,637	919,990	1.16	124,220,321
1886.....	9,834	969,841	1.01	114,644,125
1887.....	9,634	994,281	.90	167,561,030
1888.....	10,679	1,046,662	1.02	123,829,973
1889.....	10,882	1,051,140	1.04	148,784,337
1890.....	10,907	1,110,590	.98	189,786,964
1891.....	12,273	1,142,951	1.07	189,868,638
1892.....	10,344	1,172,705	.88	114,044,167
1893.....	15,242	1,193,113	1.28	346,749,889
1894.....	13,895	1,114,174	1.25	172,993,856
1895.....	13,197	1,209,282	1.09	173,196,060
1896.....	15,088	1,151,597	1.31	226,096,834
Totals.....	186,477	.....	.....	2,837,618,538
Averages.....	.....	994,333	1.04	.....

It seems remarkable that of all the persons, firms, and corporations engaged in conducting business and promoting enterprises in the whole country so small a percentage should annually fail, the average percentage having been, as shown above, only 1.04 for the last eighteen years. Prior to 1896 the average percentage was only 1.00—i. e., for the seventeen years preceding only one in a hundred had failed.

SUMMARY OF THE TORREY BANKRUPT BILL.

THE BILL WHICH IS SUBMITTED FOR THE PURPOSE OF MAKING AVAILABLE THE CONSTITUTIONAL RIGHT OF THE PEOPLE TO HAVE A BANKRUPTCY LAW ENACTED BY CONGRESS PROVIDES AS FOLLOWS:

Original bankruptcy jurisdiction is conferred upon the district courts of the United States and of the Territories, the supreme court of the District of Columbia, and the United States court of the Indian Territory.

These courts may appoint assistant judicial officers, called referees, in such numbers as may prove desirable in order to secure a prompt administration of the bankruptcy business. They are to receive their compensation wholly from the estates, and hence their appointment will not result in any expense to the Government. Their compensation is a \$10 filing fee in each case and 1 per cent commission on amounts paid in dividends to creditors from each estate administered before them. This compensation is very reasonable and will be so paid as to interest them in the prompt and economical administration of the estates.

Appeals in bankruptcy proceedings will be to the same courts that appeals in other cases are taken and in the same manner, except that the time has been shortened in order to secure prompt administrations.

All persons and partnerships who owe debts may become voluntary bankrupts upon filing their own petitions.

Corporations are not permitted to voluntarily take the benefits of the act, but may be adjudged involuntary bankrupts upon the petition of creditors.

Farmers and wage earners, although they may become voluntary bankrupts, can not be proceeded against by their creditors in involuntary bankruptcy. This provision is made solely because it is understood that they do not wish to participate in the benefits of involuntary bankruptcy. There is no objection on the part of the friends of the bill to extend its provisions to them.

There are now in force very stringent laws for the control and liquidation of national banks. The Government is responsible for the currency issued by these banks, and hence in the event of their failure ought to control their liquidation. They are, therefore, exempted from the operation of the act.

The old distinction between "traders" and "nontraders," which existed in the English bankruptcy law for generations, was abolished in 1861, and since then the bankruptcy laws of that country have applied alike to all of its citizens.

The terms voluntary and involuntary relate wholly to who files the petition and the proceedings before the adjudication. The rights and duties of bankrupts and the equities of creditors after the adjudication has been made are the same in voluntary and involuntary cases.

The acts of bankruptcy, i. e., acts on the part of a debtor which will authorize his creditors to proceed collectively instead of individually against him are, speaking generally, of three classes: (1) Those acts which are fraudulent in character; (2) those acts which give proof of his inability to protect his property from an inequitable division among the creditors who have equal equities in relation thereto, or his unwillingness to do so at a time when he is actually insolvent, and (3) a protracted default in the payment of commercial paper for \$500 or over while actually insolvent.

Three or more unsecured creditors of a debtor having together claims aggregating \$500 or over may file a petition against him. If there are less than twelve creditors then one unsecured creditor having a like claim may file such a petition.

The defendant in a bankruptcy suit will be served with process the same as in an equity suit, except that it will be returnable more promptly.

The defendant in a suit involving the question as to whether or not an act of bankruptcy has been committed may have a jury trial.

The defendant in a bankruptcy suit after petition filed and before the final adjudication will retain the possession and control of his property the same as the defendant in any other proceeding, unless the creditors give a bond and secure its attachment, and even then he may give a forthcoming bond and retain it.

In the event a final adjudication shall be secured against the defendant a trustee will be appointed who will take, by operation of law, the title to all of his property as of the date of such adjudication, except such as is exempt.

The proposed law does not interfere with the State exemptions.

The bankrupt may be discharged, speaking generally, unless he has committed an offense; given a preference after the passage of the act,

and within one year prior to the filing of the petition, which has not been surrendered; obtained property upon credit, which has not been paid for or restored, by means of false pretenses; made a fraudulent transfer of property, which has not been restored; or fraudulently and in contemplation of bankruptcy destroyed or failed to keep books of account.

A discharge shall release a bankrupt from his debts except taxes; judgments rendered in actions for frauds or willful and malicious injuries to the person or property of another; such as have not been scheduled; or such as were created by fraud, embezzlement, or defalcation while acting as an officer or serving in a fiduciary capacity.

The creditors shall select the trustee of the bankrupt, and he shall promptly and economically administer the estate. His compensation will be a \$5 filing fee in each case, and 5 per cent commission on the first \$5,000 paid to the creditors in dividends, 2 per cent on the second like amount, and 1 per cent on all amounts paid in dividends of over \$10,000. It is to be so paid as to interest him in prompt and economical proceedings.

The expenses of the estate will be limited to such as are reasonable and necessary; they must be reported in detail under oath, and will not be paid until they have been allowed by the court.

The money belonging to estates will be deposited in a designated depository, and will be paid out only upon the check or draft of the trustee. All interest received by that officer must be accounted for to the estate.

All debts of the bankrupt may be proven against his estate. The proof is a plain and inexpensive proceeding—simply a verified statement of the claim. After being allowed, a claim may be reconsidered if it is claimed that for any reason it is an improper charge against the estate.

Suits by the trustee shall only be brought in the courts where the bankrupt, whose estate is being administered by such trustee, might have brought them if proceedings in bankruptcy had not been instituted, unless by consent of the proposed defendant.

Preferences are forbidden. Valid liens are to be enforced and fraudulent ones set aside.

Former bankruptcy laws conferred upon bankruptcy courts the largest possible jurisdiction under the provisions of the Constitution, but that this bill, on the contrary, confers just as limited a jurisdiction as is possible, and still make it effective.

The proposed bill also provides for arbitration and compromise of controversies, the punishment for offenses, notices to creditors of all proceedings, and such other matters as are usual and necessary in such a measure.

A JOINT RESOLUTION OF THE LEGISLATURE OF WISCONSIN INDORSING THE TORREY BANKRUPTCY BILL.

Mr. Mitchell presented a petition of the legislature of Wisconsin, praying for the passage of the Torrey bankruptcy bill; which was read, and ordered to lie on the table, as follows:

Joint resolution S. No. 14.

Resolved by the senate (the assembly concurring):

Whereas the Torrey bankruptcy bill has already passed the House of Representatives of the United States and now awaits the favorable action of the Senate to become a law; and

Whereas we believe that this measure, if enacted, will in all respects afford adequate relief and protection, which the nation at this time stands greatly in need of; and

Whereas we also believe that a national bankrupt law is a great necessity to the business interests of our country, and that the enactment of such a law will, to a great extent, militate against the present unsettled condition of financial and commercial affairs, and will bring about a stability in such relations which will be hailed with universal approbation; and

Whereas we further believe that a failure to enact this measure will involve indefinite delay in the adoption of a general bankruptcy law, and will operate disastrously upon trade, commerce, and business generally: Therefore,

Be it resolved by the senate (the assembly concurring), That the representatives of Wisconsin in Congress of the United States be, and they hereby are, respectfully requested to use their best efforts to secure the passage of the Torrey bankruptcy bill now pending in the Senate of the United States at the earliest possible time; and

Resolved further, That copies of this preamble and resolution be forwarded to each of the representatives from Wisconsin in Congress.

L. W. THAYER,
President of the Senate.

G. O. BUCKSTAFF,
Speaker of the Assembly.

Given under my hand and official seal at the capitol, in the city of Madison, this 27th day of February, A. D. 1897.

[SEAL.]

HENRY CASSON,
Secretary of State.

STATE OF WISCONSIN.

Joint resolution asking the representatives of Wisconsin in Congress to secure the passage of the Torrey bankruptcy law.

STATE OF WISCONSIN, ss:

This resolution originated in the senate.

W. L. HOUSER, *Chief Clerk.*

PREAMBLE AND RESOLUTIONS OF THE BOARD OF TRADE OF THE CITY OF CHICAGO REFERRING TO THE TORREY BANKRUPTCY BILL AS BEING A COMPREHENSIVE AND EQUITABLE MEASURE EMBRACING BOTH VOLUNTARY AND INVOLUNTARY FEATURES REQUIRED BY SUCH A LAW, DECLARING THE NEEDS OF THE COUNTRY FOR SUCH LEGISLATION, AND EARNESTLY REQUESTING THE PASSAGE OF THAT BILL.

The following preamble and resolutions were adopted by the board of directors of the Board of Trade of the city of Chicago, at its regular meeting held February 16, 1897:

Whereas this board has heretofore frequently approved of the Torrey bankruptcy bill as being a comprehensive and equitable bill, embracing both the voluntary and involuntary features required by such a law; and

Whereas we believe that the country at large has not in many years been in so great need of such legislation as it is to-day; and

Whereas the Torrey bill has passed the House of Representatives, and is now the unfinished business before the Senate of the United States: Therefore

Resolved by the directors of the Board of Trade of the city of Chicago, That we earnestly request Senator Cullom and Senator Palmer to urge the passage of the said Torrey bankruptcy bill at the present session, so that the country may receive the benefit of the legislation it so sorely needs.

Resolved, That the secretary be requested to send a copy of this preamble and resolution to Senator Cullom and Senator Palmer.

GEO. F. STONE, *Secretary.*

PREAMBLE AND RESOLUTIONS OF THE CINCINNATI CHAMBER OF COMMERCE, REPEATING THE APPEAL OF THE PEOPLE FOR THE ENACTMENT OF AN EQUITABLE BANKRUPTCY LAW FOR THE RELIEF OF BOTH DEBTORS AND CREDITORS, REAFFIRMING ITS APPROVAL OF THE TORREY BANKRUPTCY BILL, AND URGING ITS PROMPT ENACTMENT.

CINCINNATI CHAMBER OF COMMERCE
AND MERCHANTS' EXCHANGE,
Cincinnati, February 16, 1897.

Whereas there has been for years a steady appeal by the people and by commercial organizations in all parts of the country for the enactment of an equitable bankrupt law; and

Whereas the severe business depression that has afflicted our country for fully three years past emphasizes the necessity for the relief to oppressed business men that a national bankruptcy law that would have just regard for the rights of both debtors and creditors would afford; and

Whereas the bill known as the Torrey bankruptcy bill, which has passed the United States House of Representatives and is now pending in the Senate, having been long before the people of the entire country, and subject to such revision as experience, acute criticism, and widespread discussion has so far been able to suggest, commends itself to acceptance and enactment into law: Therefore

Resolved, That the Cincinnati Chamber of Commerce, reaffirming its approval of the measure, respectfully urges the prompt passage of the bill as now before the United States Senate, to the end that the commercial interests of the country shall speedily experience the relief that such a measure is calculated to afford.

Resolved, That a copy of this action be at once forwarded to the Senators from Ohio and to the committee of the United States Senate which now has the measure before it, urging its passage at the present session of Congress.

Adopted by unanimous vote of the Chamber of Commerce to-day.

C. B. MURRAY, *Superintendent.*

RESOLUTIONS UNANIMOUSLY ADOPTED BY THE CHAMBER OF COMMERCE OF THE CITY OF MILWAUKEE EARNESTLY APPEALING FOR THE PASSAGE OF THE TORREY BANKRUPTCY BILL.

CHAMBER OF COMMERCE,
Milwaukee, December 28, 1896.

To the Honorable the Senate of the United States:

The following resolutions were unanimously adopted at a meeting of the board of directors of the Chamber of Commerce of the city of Milwaukee held on this date:

Resolved, That the Chamber of Commerce of the city of Milwaukee, through its board of directors, earnestly appeals to the Senate of the United States to promptly pass the Torrey bankruptcy bill, which has already passed the House of Representatives and only awaits the favorable action of the Senate to become a law, thus at once affording a measure of relief and protection of which the nation at the present time stands greatly in need—relief in “releasing from financial servitude thousands of able, energetic, and experienced men, whose restored energies could again be devoted to the upbuilding of the State,” and protection in removing one of the most fruitful causes of financial distrust and panics in the temptation which the absence of an equitable bankrupt law affords to any creditor in cases of financial embarrassment of his debtor to seek his own advantage to the detriment of other creditors and the ruin of the debtor. “Neither common sense nor justice demands the continued and helpless servitude of such a great number of our fellow-men,” nor the continuance of this needless hindrance to the returning prosperity of our country. Failure

to pass the bill by the Senate at this session will probably involve indefinite delay in the passage of another bill, and such delay "simply means denial of relief for men now past the prime of life, who have but few years remaining in which to recuperate their fortunes."

Resolved, That a copy of this action be transmitted to the President of the United States Senate, and that the Senators from Wisconsin be respectfully requested to use their best efforts to secure the passage of that beneficent measure the Torrey bankruptcy bill at the present session.

Respectfully presented in behalf of the board of directors of the Chamber of Commerce of the city of Milwaukee.

CASSIUS M. PAINE, *President*.

W. J. LANGSON, *Secretary*.

RESOLUTION FAVORING THE PASSAGE OF THE TORREY BANKRUPTCY BILL BY THE CENTRAL LABOR UNION OF NEW YORK CITY.

Whereas one of the things needed to restore business prosperity in this country and give employment to labor is a bankruptcy bill which would enable a debtor who honestly distributed his assets among his creditors to be discharged from his debts and again make a fresh effort in the business world; and

Whereas a bankruptcy bill has passed the House of Representatives and is now pending in the Senate, known as the Torrey bankruptcy bill, which is fair alike to creditors and debtors:

Resolved, That the Central Labor Union of New York City earnestly requests the Senators from this State to support said bill and do all in their power to secure its passage.

The foregoing preamble and resolution, having been considered, were, upon motion, adopted.

JOHN F. HENRY,
Secretary Central Labor Union.

AN ARTICLE BY THE AUTHOR OF THE TORREY BANKRUPT BILL.

[From the Forum, New York.]

The Federal Constitution provides (Art. I, sec. 8, clause 4) as follows: "The Congress shall have power * * * to establish * * * uniform laws on the subject of bankruptcies throughout the United States." It also provides (Art. I, sec. 10, clause 1) that "No State shall * * * pass any * * * law impairing the obligation of contracts."

Under the power conferred as above upon Congress,

LAWS WERE ENACTED IN 1800, 1841, AND 1867.

The first two were of short duration; but the last was in force eleven years.

The law of 1867 for various reasons was unsatisfactory to the people in all parts of the country. It contained provisions not properly a part of a bankruptcy law which brought it unnecessarily in conflict with State laws; and the fees exacted by it for the performance of official services were exorbitant, and were so paid that the officers receiving them were interested in delaying the administration of estates. An additional reason why the law became unpopular was that it did not apply alike to all our citizens; being limited in its operations to a class

known under the general designation of "traders." The people do not like favoritism or caste of any kind; they desire that the laws shall apply equally to all. Prior to 1861 the bankruptcy law in England was limited to "traders;" but since then it has been applicable to all classes of citizens.

Shortly after the repeal in 1878 of the last law it became apparent to the business men of the country that it should have been amended, and not repealed. They realized that the honest, unfortunate debtor who meets with financial misfortune should have a comprehensive discharge as contemplated by the Constitution; but this they knew he could not secure under any law which a State could pass. When the only recourse of creditors was to proceed individually against a common debtor, as provided under State laws, it frequently resulted in the debtor being financially ruined through undue selfish haste; and generally the result was the inequitable distribution of the estate, at a very large expense, between creditors of equal rights. They knew that under a wise bankruptcy law honest insolvent debtors would be discharged; that creditors would proceed collectively against a common debtor, and that in the event of his being declared a bankrupt the estate would be ratably divided between the creditors of equal rights in accordance with the rules of equity.

THIS FEELING OF REGRET AT THE REPEAL OF THE OLD LAW,

and the realization of the necessity for a new one, resulted in a national convention being held at Washington in 1881. A second convention was held in the same city in 1884; a third was held in St. Louis in the spring of 1889; and a fourth at Minneapolis in the fall of the same year. At the last three of these I had the honor of presiding as permanent president.

The Lowell bill was approved by the first two of the conventions, and at the third convention a bill was drafted and presented by me, and was referred, together with the Lowell bill, to a committee composed of leading members of that body. The committee reported my bill favorably, and sent it broadcast over the country, inviting suggestions as to amendments. It was then considered at the Minneapolis convention for two days, and was finally approved unanimously. A resolution, introduced by Hon. John J. Hornor, a delegate from Fort Smith, Ark., providing that the bill should be named "The Torrey bankrupt bill," was also adopted.

It should be borne in mind that these conventions were not composed of representatives of great mercantile corporations, as has been untruthfully alleged, but of representatives of commercial, industrial, and professional bodies, the members of which were debtors and creditors in all parts of the country. Their object was not to secure the enactment of a purely voluntary or an involuntary law, but to formulate a law that should be at once voluntary and involuntary, equitable and comprehensive in its scope, and that should fully protect the rights of all classes.

THE BILL SOLVES THE PROBLEM OF BANKRUPTCY LEGISLATION,

it is confidently believed, for it has been very generally indorsed by business and industrial bodies in all parts of the country.

The executive committee of the convention at Minneapolis was authorized to amend the bill from time to time as I might recommend;

and, pursuant to that authority, it has been amended as seemed best in the course of my studies upon the subject, or as has appeared desirable from suggestions of Members of Congress, from correspondence with insolvent debtors, members of the bench and bar, and debtors and creditors in all parts of the country. There have been successive editions of the bill, each rendered more perfect by amendment than the preceding one; but the framework, the objects, and the means of attaining them have never been changed.

In the Fifty-first as also in the Fifty-fourth Congress the bill was passed by the House; but in the Fifty-third Congress it was defeated in the House. The voluntary bill of Mr. Bailey was passed by that body, but was not voted upon in the Senate. There are also a number of bills pending in Congress in imitation of the voluntary measure introduced and championed by Hon. Joseph W. Bailey, a Member from Texas, but there has been no attempt on the part of any Member of Congress to draft a voluntary and involuntary measure, for the Torrey bill, by the common consent of those who favor a complete law, meets all the requirements of the Constitution.

IN COUNTRIES WHERE THERE IS BUT ONE LEGISLATIVE BODY

a bankruptcy law would not be materially affected by its containing provisions which properly belonged to other laws; but in this country it is different. Here we have forty-five States, all having supreme legislative power, except to the extent to which it was surrendered to Congress by the Constitution. I remember that in drafting the bill I inserted in it provisions upon all subjects for which I found a precedent in other laws, and after completing it in that form I spent two weeks in simply eliminating provisions which in my judgment were not properly a part of such a law. The scope then given to the bill has never been changed.

The bill is limited to such provisions as are necessary to make it comprehensively guard the rights of both debtors and creditors. Being national in character, it must, of course, be enforced in the national courts, it having been repeatedly decided that Congress has no right to require State courts to enforce national laws.

THE ESSENTIAL FEATURES OF THE TORREY BANKRUPT BILL

are as follows:

Every person and firm owing debts may become a voluntary bankrupt. Corporations can not go voluntarily into bankruptcy, but they may be adjudged bankrupts in proceedings against them by their creditors, on the ground that they have committed an act of bankruptcy. In general terms, an act of bankruptcy is an act for the commission of which by a debtor in most of the States an attachment would be justified; such as indicates insolvency and inability to prevent his property from being inequitably divided among his creditors while insolvent, or of protracted default in payments due while insolvent.

Since proceedings, when instituted, are for the benefit of all the creditors, it is provided that a petition can not be filed except by three of them collectively holding unsecured claims of at least \$500.

When a petition shall have been filed against a defendant, alleging that he has committed an act of bankruptcy, he will be served with process as in ordinary suits; and if he, or any of his creditors not joining in the petition, deny the allegations of the petition, there will be

a trial as in other cases. The defendant may, if he desires, have a trial by jury. An appeal may be taken from an adjudication of bankruptcy.

After the filing of the petition, and prior to the trial, the

PROPERTY RIGHTS OF THE DEFENDANT

will not be interfered with in any respect unless the creditors shall file affidavits showing to the satisfaction of the court the commission of an act of bankruptcy by the defendant, as set forth in the petition, and shall apply for an order for taking possession of the property of the defendant. Before such order will be executed the plaintiffs must give bond to the defendant to indemnify him in the event of such order proving to have been wrongfully obtained. Even then the defendant may give a forthcoming bond and retain the possession of the property. These provisions place the defendant in a bankruptcy suit upon the same footing as defendants in other suits. Such was not the case, however, under the old bankruptcy law, and in consequence a great many hardships arose. For example, while the property might be left in the possession of the defendant, still, on his being adjudged a bankrupt, the title of the trustee dated back to the date of the filing of the petition and resulted in setting aside any conveyance of property which the bankrupt might have made during the proceedings.

After the adjudication that a defendant is a bankrupt, the rights and responsibilities of both the bankrupt and the creditors are the same, whether the case be a voluntary or involuntary one.

THE BILL ENCOURAGES COMPOSITIONS

between debtors and their creditors, and provides that they may be made after the filing of the petition and either before or after the adjudication. In order to prevent the debtor from imposing on his creditors it is required that he shall be examined in open court and shall file a list of his creditors and a schedule of his property. A compliance with these requirements will enable the creditors to judge of both the honesty of the debtor and the value of their claims. His proposed composition must be accepted by a majority in number of his creditors, who represent a majority in amount of the claims against his estate. He must also deposit in court, or subject to the order of the judge, whatever he proposes to pay or give to his creditors as a consideration for the composition, so that, if the composition shall be confirmed by the judge, the amount of the consideration may be delivered direct to the creditors. After, but not before, the foregoing provisions have been complied with, his offer may be filed in the bankruptcy court. These provisions are inserted in order to preclude the possibility of creditors being trifled with by the debtor. The creditors will all be notified of the hearing of the proposed composition, and each creditor may favor or oppose it. The judge will confirm only such compositions as are for the best interests of the creditors. A composition which has been fraudulently obtained may be set aside.

Assistant judicial officers, called "referees," may be appointed by the bankruptcy courts in such numbers as shall prove necessary for the convenience of the people, and to enable the courts to dispose of bankruptcy business expeditiously. It is contemplated that at least one such officer shall be appointed for each county, and in larger counties a greater number. These officers will receive a \$10 filing fee for each case, 1 per cent on the amount paid in dividends by estates

administered before them, and half that amount in cases in which there is a composition. In every case both fee and commission will be withheld until the estate has been administered and closed.

Trustees will be appointed by and represent the creditors. There may be one or three for each estate, as may be determined by the creditors. They will receive a filing fee of \$5 in each case and 5 per cent on the first \$5,000 paid to the creditors as dividends, 2 per cent on the second \$5,000 so paid, and 1 per cent on amounts in excess of \$10,000. Neither fee nor commission will be paid until the estate has been closed.

The fact that the commissions paid to the foregoing officers are upon net results

WILL INTEREST THOSE OFFICERS FINANCIALLY

in administering the estates as economically as possible. The expenses of administering estates will be limited to those which are necessary and actual; and they will not be paid until after being reported under oath and passed upon by the judge. Moreover, since all compensation is withheld until the estates are closed, those officers will have a pecuniary interest in closing them as quickly as possible.

Litigation as to property rights will be conducted in the courts which would have had jurisdiction of such litigation if bankruptcy had not occurred.

Liens which may have been obtained by proceedings at law or in equity, commenced within four months prior to the filing of the petition, will be set aside. Liens which were given for a present consideration and in good faith, and not in contemplation of bankruptcy, will be upheld.

The transfer of property or the payment of money by a debtor to a creditor within four months prior to the filing of the petition in bankruptcy against such debtor, for the purpose of defeating the operation of the law, or of enabling such creditor to obtain a greater percentage of his claim than any other creditor of the same class, will be deemed a preference, and may be set aside at the instance of the trustee of the estate of such debtor if he shall become a bankrupt. Money paid or property transferred to a lawyer in excess of a reasonable amount for services may be recovered.

THE BANKRUPT MAY APPLY FOR A DISCHARGE

subsequent to the expiration of two months after the adjudication, and within the next four months. If, for reasons over which he has no control, he should be prevented from making the application, within that time, the judge may permit him to file it within the next six months, but not afterwards. The discharge will not be granted if the defendant has been guilty of any of the offenses enumerated in the act, e. g., of having given a preference within six months prior to the filing of the petition, which has not been surrendered, obtained upon credit, on a materially false statement in writing made by him to the person from whom the property was obtained, or to a mercantile agency, any property not paid for or restored at the time the petition was filed; made a transfer of his property which might be impeached by a creditor, or, with fraudulent intent, destroyed or neglected to keep books of account. The discharge, if fraudulently obtained, may be set aside upon application of creditors. The granting of a discharge will not release the defendant from debts which are due as taxes; which have been reduced

to judgments in actions for frauds or willful and malicious injury to the person or property of another; which have not been duly scheduled, unless the creditor had knowledge of the proceedings in bankruptcy, or were created by fraud, embezzlement, or defalcation while acting as an officer or serving in any fiduciary capacity.

OTHER PROVISIONS.

Exemptions will be allowed as provided, at the time the petition was filed, by the laws of the State in which the bankrupt resides.

Suitable provisions are made for the punishment of bankrupts, creditors, and officers who have violated the provisions of the law.

Under the old law a number of the judges secured for their relatives desirable appointments. The Torrey bill provides that no persons who are related by consanguinity or affinity within the third degree, as determined by the common law, to either of the judges of the United States courts in any district shall be appointed referees in such district.

The proof and allowance of claims will be a simple and inexpensive matter. If it be suspected that a claim is fraudulent, it may be suspended and examined.

All money belonging to estates must be deposited in a designated depository, and will not be paid out except upon the check or draft of the trustee.

The bill, in addition to the foregoing, contains such provisions as are necessary to make it comprehensive of the rights of unfortunate and dishonest debtors and their creditors.

THE VOTE IN THE FIFTY-FOURTH CONGRESS

in the House of Representatives, by which the bill was passed by the large majority of 76, after a five-day debate, in which it was championed by Gen. D. B. Henderson, of Iowa, chairman of the Committee on the Judiciary, may be summarized as follows:

	Yea.	Nay.	Not voting.
Eastern States	18	.....	8
Middle States	49	4	27
Southern States	28	39	37
Western States	55	33	40
Pacific States	7	5	4
Total	157	81	116

It will be noted that in the Eastern, Middle, Western, and Pacific States the bill received a majority in its favor, while the majority against it in the Southern States was only 11. Most of the 116 Members not voting were paired, the presumption being that one-half of them were for and the other one-half against the bill. The Texas delegation in the House gave 8 votes in favor of the bill and only 2 against it, while 3 did not vote. In the Fifty-first Congress only one Member from that State, as I remember, voted with our friends. This change speaks volumes for the merits of the bill. Indeed, it constitutes a great victory, considering the fact that Mr. Bailey, a Member from that State, greatly distinguished himself as leader of the opposition and in advocacy of his bill for purely voluntary bankruptcy.

THE CHIEF OPPOSITION TO THE ENACTMENT OF THE MEASURE

is by a few great houses in different parts of the country which have so perfected their credit and collection departments that under present laws they can legally take advantage of their unfortunate debtors and of all associate creditors not equally well equipped with themselves. These great houses do not want passed a bankruptcy law which will transfer from their private offices to the court-house the throne to which their unfortunate debtors must appeal for relief. They do not want their appropriation of the debtors' assets, to the full extent of their claims, in spite of the equal rights of other creditors, interfered with by a court of justice. To them the constitutional right of debtors and equity among creditors, when in derogation of their financial interests, are not to be encouraged, and hence they are violently opposed to the passage of the bill.

The fate of the bill in the Senate is problematical. The Committee on the Judiciary of the Senate acted upon the subject before the Torrey bill was passed by the House. The majority reported a bill which had been introduced by Senator George, of Mississippi, and amended by the committee. A minority reported the Torrey bill, and when it was referred by the Senate, as passed by the House, to its Committee on the Judiciary, all of it was stricken out after the enacting clause, and the bill of Senator George substituted in its stead. These bills are now upon the Calendar of the Senate, and it is to be hoped that they will be considered and acted upon during the present session.

If in the meantime the friends of the Torrey bill throughout the country shall make their wishes known to the members of the Senate, the result of the House will be more than duplicated in the Senate, and as a result the constitutional rights which are now dormant will be available to the people.

JAY L. TORREY.

CLIPPINGS FROM THE PRESS.

LINDSAY ON BANKRUPTCY.

THE KENTUCKY SENATOR EXPLAINS WHY HE IS URGING THE PASSAGE OF THE TORREY BILL—THINKS IT COMPLETE AND FAIR—PROVISIONS AS TO COURTS, OFFICERS, BANKRUPTS, CREDITORS, AND ESTATES—TO SIMPLIFY THE QUESTION—PHILOSOPHY OF CREDITS.

WASHINGTON, *March 21.*

Judge William Lindsay, Senator from Kentucky, and recognized as one of the ablest lawyers in the Senate, reintroduced the Torrey bankruptcy bill on the last day of the session of the Senate of the Fifty-fourth Congress.

The bill has five chapters, which embrace the whole subject. They relate to the courts, the officers, the bankrupts, the creditors, and the estates. The sections severally relate only to one subject, so that when a provision is made covering a subject it is not again restated, but is simply referred to. In this way a great deal of confusion is avoided.

In reference to the chapter on courts Judge Lindsay said:

"United States courts, as is well known, have only a limited jurisdiction, and hence it is necessary to provide with particularity their entire jurisdiction. This is done with very great care, and avoids so far as possible specialties in bankruptcy practice. This is illustrated by the fact that process pleadings and adjudications are to be the same as in equity cases in United States courts; the right of trial by jury is preserved; the rules of evidence are to be the same as now established by law. In prior bankruptcy laws jurisdiction to try all controversies in bankruptcy has been given to the United States courts. Doubtless this is defensible from one view of the case, but I prefer the provisions of this bill, which are quite the reverse. Matters of litigation will not, of necessity, be taken to the United States courts, but will be tried in the courts which would have had jurisdiction of the controversy as between the bankrupt and the adverse party had bankruptcy proceedings not intervened, a matter of much importance to citizens residing at a distance from where the United States courts convene.

This provision of the law is a complete answer to the just criticism of the last law that many people were required to go long distances to the United States courts when having controversies with bankruptcy estates.

"Appeals and writs of error are like those already allowed by law, and the proceeding will be the same."

PUNISHABLE ACTS IN PROCEEDINGS.

When asked what acts were punishable under the provisions of the bill, Judge Lindsay said:

"A trustee may be imprisoned not to exceed five years for malfeasance in office. The bankrupt may be imprisoned for not to exceed two years for having knowingly and fraudulently accounted for his property by fictitious losses and expenses; or the concealment of the property of his estate; or having been a particeps criminis in proving false claims against his estate; or committing perjury—making a substantially false valuation of his property and falsifying his schedule or list of creditors; or obtaining property in contemplation of bankruptcy, with intent not to pay for it; for the purpose of preferring a creditor by increasing his estate; secreting his property in contemplation of bankruptcy, or transferring any property otherwise than in the ordinary course of his business in contemplation of bankruptcy.

"Creditors may be imprisoned not to exceed two years upon conviction of having knowingly and fraudulently committed perjury, or presented a false claim against a bankrupt estate, or received any property from a bankrupt after the filing of a petition and before adjudication, with a view of defeating the act; or receiving any property as a bribe.

"Officers may be punished by a fine not to exceed \$500 and by the forfeiture of their offices for malfeasance or misfeasance.

Prosecutions must be commenced within one year after the commission of the act.

"Other provisions are made in this chapter for the taking of evidence, the reference of cases, arbitrations and compromises, the making of rules, forms, and orders, computation of time, and the transfer of cases."

CREATION OF OFFICES.

In response to an inquiry as to the offices created by the bill, Judge Lindsay said:

"There are only two new offices created. They are the assistant judicial officer, called a referee, and an officer who is the representative of creditors in the enforcement of their rights, called a trustee. Referees will be appointed by the courts of bankruptcy in such numbers as may be necessary to assist in promptly disposing of the bankrupt business, but as their compensation is paid wholly out of the estates they administer, their appointment will be no charge upon the General Government. It is provided that they may be appointed in every county, the purpose being to bring the administration of the law to every man's door; in brief, they may perform the judicial functions, except the making of an adjudication in a contested case or to determine the right of discharge.

"The referee will receive a \$10 filing fee in each case and a commission of 1 per cent on the amounts paid to creditors in dividends and one-half of 1 per cent paid in settlements.

"The trustee will be chosen by the creditors, who also fix his bond and may from time to time increase it. The compensation of this officer is a \$5 filing fee, and a commission of 5 per cent on the first \$5,000 paid in dividends, 2 per cent on the second \$5,000, and 1 per cent on dividends paid in excess of \$10,000.

"It seems that the manner in which the commission of these two officers is computed—that is, on net instead of gross results—and the time of payment of their compensation will interest them both in an economic and prompt administration. These fees are much more reasonable than the fees in any State of which I have knowledge for similar service, and the most common criticism against the old bankruptcy law—that is, delay and extravagance—has been avoided in this bill."

CONCERNING THE BANKRUPTS.

Senator Lindsay explained as follows:

"A person or firm may file a voluntary petition in bankruptcy; a corporation is not permitted to do so. The filing of the petition constitutes an act of bankruptcy, and the adjudication will be made, of course. Bankruptcy proceedings may be commenced against a person, firm, or corporation, concerning whom it is alleged that an act of bankruptcy has been committed, except national banks, farmers, and wage earners.

"The acts of bankruptcy for the commission of which persons, firms, and corporations may be adjudged bankrupts are such as relate to dishonesty and constitute in the several States grounds for

attachments. A person, firm, or corporation, for the commission of any one of these acts, may be proceeded against in bankruptcy by their creditors, irrespective of whether he is or is not insolvent. The other acts of bankruptcy are predicated upon insolvency and constitute acts showing an inability or unwillingness to protect the estate from an unfair division among the creditors, or insolvency followed by protracted defaults upon commercial paper. Proceedings in bankruptcy can not in any case be taken by the creditors collectively until after the debtor is liable to be proceeded against by his creditors individually. Under the provisions of this bill the debtor, if honest, will receive a discharge, and be given a new opportunity to support himself and his dependents. The creditors will receive their pro rata part of the estate.

METHOD OF SETTLEMENT.

"A most excellent method is provided by which debtors may secure from their creditors a settlement after the filing of the petition, and at any stage of the proceedings and even before the adjudication. I anticipate that under this provision of the bill more estates will be settled than will be administered. Under present laws, so long as there is one obdurate creditor the debtor is helpless; but under this provision the best interests of all will be considered and carried out. In my judgment, if only this part of the bill were enacted it would result in untold good to both the debtor and the creditor class. The bill does not in any way interfere with the exemptions which are now, or may be hereafter, allowed by the laws of the several States.

"Discharges will be granted upon application made not less than two months after the adjudication and within the next four months, or if unable to be made within that time they will be applied for by permission of the court within the next six months, but not afterwards. The purpose of this limitation is to have the application made, if at all, while the facts of the case are well known and the witnesses are still alive. Although a discharge may be granted, still it will not be a relief against taxes, judgments for frauds, or for willful and malicious injuries to person or property, or claims which have not been scheduled or which were created by malfeasance while acting as an officer or serving in any fiduciary capacity. Corporations will not be discharged, as there is not the same necessity therefor as in the case of individuals, and in addition there is in many of the States a conditional liability on the part of stockholders which ought not to be interfered with by a discharge of the corporation.

CONSENT OF CREDITORS.

"In the course of the consideration of the subject, there has been more or less discussion about whether or not discharges should be conditioned upon the payment by an estate of a certain percentage, or upon the consent of a certain proportion of the creditors. Under the present insolvency laws of the several States this subject has been curiously dealt with. In one of the States the payment of a 70 per cent dividend is a condition precedent to a discharge, while in many of them the assent of a majority of the creditors is necessary. The facts are that a discharge can be justified only upon the ground of a sound public policy; that is, the State is more interested in having an honest debtor relieved from his obligations and enabled to support and educate his family and accumulate property upon which to pay taxes, than it is in having him held in financial bondage forever by his individual creditors. The binding obligation of a contract can be annulled only on this ground. There is, therefore, no reason why the payment of a certain percentage should be required, or that the assent of the creditors should be obtained. Most certainly the true doctrine is that no dishonest debtor should receive a discharge, no matter what percentage his estate pays, or what number of his creditors have been induced, one way or another, to assent thereto; but, on the other hand, that every honest debtor should be discharged, irrespective of the money value of his estate or the wishes of his creditors."

In taking up the chapter on creditors for review, Judge Lindsay said: "The owner of goods or money, when considering whether or not he will sell them or loan it to a given man, must feel reasonably sure that they will be paid for or that the money will be returned. The passage, therefore, of a fair law, involving a protection of his rights, would make credits easier and in that way redound to

THE BEST INTERESTS OF EVERY DEBTOR.

In other words, a good law would, in a measure, take the place of collateral security.

"The bill provides for meetings of the creditors, and how votes shall be taken and what majorities are required. It provides for the proof and allowance of claims by a plain statement of the rights of the creditors, verified by oath. Notice will be given to creditors when the successive steps in the administration are taken. Preferences are forbidden, which is absolutely necessary, in order that the debtor may be prevented from paying favorite creditors in full, and thus securing a discharge from the claims of other creditors of equal rights. Valid liens will

be upheld, fraudulent ones will be set aside."

RELATING TO ESTATES.

In taking up for consideration the chapter on estates, the Senator said: "All moneys coming into estates will be deposited in a depository designated by the court and paid out by trustees only upon their draft or check.

"Debts which have priority and are to be paid in full are: The expense of preserving the estate; filing fees; the cost of administration; wages earned within three months before the date of the filing of the proceedings, not exceeding \$300 to each claimant, and debts payable under United States or State laws. Dividends will be paid as often as the funds in the estate will justify it. Under our old law the title of the property is vested in the trustee of the bankrupt as of the date of the filing of the petition. Under the new the title will vest in the trustee as of the date of the final adjudication. In other words, the defendant in bankruptcy proceedings will have the same right to the control of his property as the defendant in any other proceedings."

In referring to the scope of the law and the people to whom it applied, Judge Lindsay said: "I believe that this bill is well calculated to be put in force, in connection with other Federal laws and the laws of the States, with very little friction. It is the best pronouncement on bankruptcy ever drawn by an American."—New York Times.

HE FAVORS THE BILL.

MR. P. R. EARLING, OF L. GOULD & CO., ON
BANKRUPTCY LAWS.

Mr. P. R. Earling, vice-president of the L. Gould & Co. corporation, 23 Lake street, has followed the Henderson bankruptcy law and has made a study of it. Mr. Earling, when seen to-day, said:

"The bill introduced by Colonel Henderson and passed by the House last week is a good bill. It is the Torrey bill practically, with which the country is familiar, though some slight changes have been made by the House Judiciary Committee.

"To whatever the opponents of bankruptcy legislation may say, only one answer need be made, and that answer is contained in the debates on the question. This debate in the committee sets forth ably and fully all the arguments pro and con, and not a single point of weakness or of strength of the bill under advisement was overlooked.

"To sum up all the arguments, what do we find? First, we find an overwhelming majority in the House in favor of this particular bill—namely, the Torrey, or Henderson, bill. And the opponents—those who voted against the bill—are they opponents to bankruptcy legislation

on general principles? Not at all. The Congressional Record shows clearly that so far as the sentiment goes concerning a bankruptcy measure there is hardly a dissenting voice in the House, but there is opposition to this particular bill, and the opposition is directed to one feature of the bill only.

"The members of the committee who spoke and labored against the bill frankly admitted, each and every one of them, that they were in favor of a bill, and believed that at the present time such a measure was not only justifiable, but was greatly needed. From this it appears that there was no opposition to the general principle involved.

"I want to show that the sentiment of the House was and is practically unanimous in favor of a bankruptcy law, and the Congressional Record will bear me out. In the face of this, some few houses set themselves up against a bankrupt law of any kind and on general principles. I frankly admit that under like circumstances I should pursue a like policy very likely. It is purely a matter of business and of dollars and cents. But what holds good with the few, the one in a hundred, does not hold good with the other ninety-nine houses. It does not hold good with me, or in our business.

"That the arguments used by these few houses are of no weight, by reason of any inherent logic, is conceded by the business public; that they have no longer any weight with Congress has become apparent in recent events.

"I said above that the opposition in the House was directed, not against bankruptcy legislation, but against one feature of the bill which passed the House. This feature is the involuntary clause.

WITHOUT THIS CLAUSE,

however, I should not be in favor of a bill at all, except as an emergency bill to last for one year; and such a bill would need to contain only one provision, namely, that the courts be ordered to issue discharges to whomsoever might ask for them. That is about all that some of the bills presented from time to time and under discussion recently have in them—a general whitewash. I don't believe the opponents to the amended Torrey bill would relish that kind of a measure.

"I appreciate fully the dangers to the debtor of involuntary bankruptcy, but in following the arguments on this point the opposition utterly failed to prove that the debtor would be worse off, on that score, than he is now under our State attachment laws. Under the Torrey provisions he is infinitely better off. Colonel Henderson's judiciary committee so thoroughly guarded the rights of the debtor on this point that the creditor, in fact, loses prestige instead of gaining any.

While this is not desirable from any standpoint, yet I concede the necessity for this precaution in favor of the debtor.

"It is claimed that a bankrupt bill, notwithstanding provisions for punishing dishonest debtors, never has and never will succeed in doing it. The provisions under the Torrey bill are very clear on this point.

A BETTER LAW IS GIVEN US

than any we have on our State statute books. There is no doubt about that. If we don't bring dishonest debtors to time under it, it will be the fault of the creditors. What success attends the creditor now in prosecutions for fraud? We certainly could be no worse off.

"But the only point, after all, on which the discussion hinges in Congress, and will hinge in the Senate, is that of involuntary bankruptcy. I have looked this provision over very carefully as it now stands, and instead of its being a menace to the debtor, as the opponents of the bill have tried to make out, it in reality and in practice will be found to operate beneficially for both debtor and creditor. With more leisure at my command at some future time I shall be prepared to back this assertion and opinion with argument and facts."—The Chicago Evening Post.

A NATIONAL BANKRUPTCY LAW.

The House of Representatives, after passing the pension bill yesterday, entered upon the consideration of the bill recently reported favorably by the Judiciary Committee providing for "a uniform law on the subject of bankruptcy throughout the United States."

There is no subject within the purview of Federal legislation and national jurisprudence that calls more urgently for a uniform rule of action and practice than does that of bankruptcy. Such a law would conserve the interests of hundreds of thousands of our citizens.

The power of Congress over the subject of bankruptcy is not an inferred or constructive power, but is one of the

EXPRESS GRANTS OF THE CONSTITUTION.

The precise language of the Constitution on this question is: "Congress shall have power to establish uniform laws on the subject of bankruptcies throughout the United States." Whatever difference of opinion there may be as to the necessity for such laws, it is perfectly clear that if such laws exist at all they should be uniform in their provisions, application, and enforcement throughout the country. This can only be effected by Federal legislation.

There is, however, a still stronger reason for the exclusive possession and exercise of this power by Congress. In addition to the inevitable diversities, in-

consistencies, and interferences as among the different State laws and systems, there is the decisive fact that the State governments are constitutionally disqualified to enact such laws and establish such systems. The essence of a bankruptcy proceeding is

THE HONORABLE DISCHARGE

of an honest debtor from obligations which he is unable to meet and make good. This is the pivotal point of the whole question, as it is well known that the Federal Constitution specifically prohibits the States from passing laws impairing the obligation of contracts. It requires no argument to prove that bankrupt laws do impair the obligation of contracts, and it necessarily follows that the power to enact such laws is exclusively vested in Congress.

It is true that, under certain decisions of State courts, a State discharge of obligation may prevail as between citizens of the State having such a law, provided that the law was enacted prior to the contracting of the obligation involved. But these decisions are restricted in their force by the jurisdictional limitations of the courts rendering them. Neither these decisions nor the laws to which they apply have any force as between citizens of different States. Indeed, the very distinctions on which these decisions rest are in direct conflict with the great public and commercial objects which are sought to be secured by the Federal Constitution in its provision for a uniform national bankruptcy system. The qualifications and limitations of such State laws necessarily render them useless, so far as the purpose of a general discharge of obligation is concerned. The interests of almost every man of extensive or even respectable business relations are so largely with citizens of other States than his own, that the partial extent to which the validity of State discharges of obligation may reach is of little practical benefit. The whole question, therefore, may be safely and succinctly summed up in the declaration that the individual States can not enact practical or effectual bankruptcy laws, and that such power should be exercised by Congress alone.

The country has been deprived of any national bankruptcy regulations for about twenty years, and the present bill is in response to the long-felt necessity for some practical and effectual measure of uniform and national legislation on this vital question.

The bill is indorsed by the Board of Trade and Transportation of this city, and by similar organizations in other cities. Let it be passed with promptness and unanimity, and enforced with vigor and impartiality.—*The Mail and Express*, New York.

THE NEW BANKRUPTCY LAW.

[From the Cleveland World.]

To the Editor of the World:

The bankruptcy bill which was reported to Congress Tuesday by Mr. Henderson, of Iowa, chairman of the Judiciary Committee of the House, is going to be of great interest to all business men if it becomes a law, as in all likelihood it will. The bill has been very thoroughly prepared in all its details, and is particularly distinguished from former measures by the care which its framers have taken to guard the interests of both debtors and creditors.

On the one hand it

HOLDS OUT A HELPING HAND

to the honest debtor who is handicapped by an enormous load of debt that he never will be able to throw off alone, and, by granting him a discharge of his remaining indebtedness after the court of bankruptcy has distributed his assets equitably among his creditors, rolls the burden from his shoulders and gives him thus a chance to start life afresh on an equality with his fellows, besides restoring to the community a man whose energies and experience would benefit it.

On the other hand, its framers have endeavored to prevent its becoming the refuge of rascals and frauds by refusing to grant any such discharge to an insolvent who has been guilty of making any fraudulent transfers of his property, such as a court of equity would set aside at the suit of any of his creditors; and further, it turns a cold shoulder to dishonest insolvents by denying such discharges to those who have, within the six months preceding the filing of the petition in bankruptcy, been guilty of making any preferential transfers to favorite creditors, unless such preferences were made for a present consideration as distinguished from a past debt.

In this State, when a failing debtor is about to make an assignment, he first mortgages or transfers outright the greater part of his assets to some favorite creditor or creditors, perhaps to some relative or friend, and then he assigns to his general creditors what is left, which is usually little enough. In fact, experience will show that the general creditors get very little of a failing debtor's assets. Only in the case of corporations is it forbidden in our State to make such preferences on the eve of assignment.

The bankruptcy bill refuses to discharge the bankrupt from his unpaid debts under such circumstances, and further permits the creditors to recover what they can of his property so transferred from persons having knowledge of his insolvent condition at the time of the transfer.

Other distinguishing features of the bill are, that

IT REDUCES THE COST

of bankruptcy proceedings to a minimum; that it provides for a referee in bankruptcy for each county, thus doing away with some of the objections against the old bankruptcy act of 1867, and that it provides for both voluntary and involuntary, or forced, bankruptcy.

Any insolvent may voluntarily take advantage of its provisions, but creditors are not allowed to proceed against an insolvent as an involuntary bankrupt unless two conditions exist. First, the claims of creditors must amount to not less than \$1,000; second, one or more of nine certain grounds, mentioned in the bill as constituting "acts of bankruptcy," must exist. These nine grounds in the main correspond with the statutory grounds for attachment in our own State. In most of them the element of fraudulent intent must exist and be proven. However, the giving of any preferences within the six months preceding the filing of the petition in bankruptcy is itself one of the nine grounds authorizing creditors to proceed against an insolvent as a bankrupt, and no further proof of fraudulent intent than the preferences themselves is required.

There is not much doubt that the bill will pass the House, as it has the support of the leaders of both parties and is approved by the ablest jurists in Congress. Of course its fate in the Senate can not be foretold with certainty, but there has been so much agitation of the question in and out of Congress that it is sure to be considered favorably in its main outlines. In case it becomes a law there will be need for business men to inform themselves fully of its provisions.

HAROLD REMINGTON.

FRIENDS OF BANKRUPTCY LEGISLATION WILL MAKE A STRONG EFFORT TO SECURE THE PASSAGE OF A BILL, BUT ON ACCOUNT OF DETERMINED OPPOSITION THE PROSPECTS ARE NOT BRIGHT.

WASHINGTON, *February 21.*

It is the manifest purpose of the friends of bankruptcy legislation to make strong effort to secure the passage of a bill. During the week past the efforts of some of the larger business houses in the East were exerted to prevent consideration of the question. It is related that one of the strongest opponents of bankruptcy legislation here lately is ex-Senator Charles B. Farwell, of Chicago, who frankly asserts that he wants no bankruptcy legislation of any character whatever.

* * * * *

Capt. C. W. Hackett is in Washington. He conducts the C. W. Hackett Hard-

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ware Company, at St. Paul, Minn. He is an ex-president of the St. Paul Chamber of Commerce and also of the Jobbers' Union, and is well and favorably known in that part of the country. In discussing the question of the probable passage by the Senate at this session of a national bankruptcy law he said:

"Our people think that the provision of the Constitution relating to the enactment of a national bankruptcy law by Congress ought to be made available. We believe in a fair, comprehensive measure. Our people do not want to take advantage of anybody as the result of transactions on credit; and on the other hand, they do not want others to take advantage of them."

In speaking of their own laws upon the subject of insolvency Captain Hackett said: "We have a very good State law upon this subject, but it is of necessity, in view of the provisions of the Federal Constitution, inadequate, and we therefore feel that it ought to be superseded by the kind of a national law which I have described."

In referring to the relationship which exists between debtors and creditors, and as between the creditors of a common debtor, Captain Hackett said:

"One of the chief needs for a bankruptcy law—and one, by the way, which I have not heard very much said about—is to

ENFORCE THE RULES OF EQUITY

as between creditors of a common debtor. The wrongs which are perpetrated by one creditor upon another are quite as serious a menace for fair dealing as the wrongs which are perpetrated by debtors upon their creditors. This point is illustrated quite well by the conditions which existed in our State before the passage of our insolvency law. Then it was not infrequently the case that debtors were ruined, not because they were insolvent, or because they were dishonest, but because some particular creditor, in his anxiety to collect an overdue account, brought suit. The result was other suits and finally a scramble among all the creditors, and the wasting of the estates chiefly in the payment of the court costs. In the end the creditors lost their claims and the debtor became bankrupt and was not able to obtain relief in the nature of a discharge."

In speaking of the general disposition of creditors toward their debtors, he said:

"I have heard a good deal of silly talk about creditors 'throwing their debtors into bankruptcy,' etc. The facts are that creditors wish their debtors to prosper and to continue in business. They do not wish them under any circumstances to fail, because failure means ordinarily a loss of all or a part of the account, but, what is usually more serious, the loss of

a customer. It follows that if a law is passed under which the rules of equity will be enforced as between creditors the usual rule will be for

CREDITORS TO HELP

rather than hurt their debtors. I know this is true, because it is the effect which has been produced by the enactment of our State insolvency law. In a vast majority of cases the wasteful struggle is not between the creditor and debtor, but between the creditors."

In referring to the practical workings of the discharge of the debtor under the Minnesota insolvency law, Captain Hackett said:

"The provisions of our law with reference to the discharge of the debtor are very unsatisfactory, and yet are quite as good as we can have, in view of the fact that under the Federal Constitution the subject of bankruptcy is one for national and not State legislation.

OUR LAW IS OBJECTIONABLE

to the debtor because it does not, and can not for the reason stated, give him a discharge as against creditors living in States other than our own. It is unsatisfactory from the standpoint of the creditor, because where his claims are discharged it leaves our debtor liable to creditors living in other States. In certain instances I am informed that our debtors, who have secured a discharge from us, have ultimately been able to pay off their foreign creditors in full or compromise with them by paying a larger percentage than we have received."

When asked as to the obtaining by debtors of voluntary settlements on the part of their creditors, he said:

"THE QUESTION OF SETTLEMENT"

ought to be governed by just laws; it can not be properly left to voluntary action. There are many reasons why this is so: First, there are a number of great houses in the country which do a vast volume of business and have a standing and never-varying rule of not compromising with their debtors or any one of them; their debtors, therefore, can never hope to receive a voluntary discharge from such creditors; second, voluntary settlements are too frequently accompanied by secret understandings and secret payments to certain classes of creditors, which work great injustice to, and in fact constitute, a fraud upon other creditors; third, there are instances of failures with preferred creditors, and a refusal by other creditors to sign a voluntary release because they have been swindled; and fourth, there are other cases in which after the failure claims change hands by the death of creditors and their rights descend to unknown

heirs, and in this way such complications follow as to make it impossible for the debtor to secure a voluntary discharge from his creditors. My judgment therefore is that the whole subject ought to be regulated by a plain simple law under which all parties will have their rights carefully guarded."

In speaking of the old law—that is, the last law in force—Captain Hackett said:

"I remember well its provisions, and more vividly some of the practices under it. If it were proposed to again enact that law, I should not be in favor of it. The fact that it was not satisfactory and was repealed is not to my mind any reason why we should not now have enacted a measure which embodies proper principles and proper methods for enforcing them. Sometimes I have realized that I had an incompetent clerk, but I never yet looked upon that as a sufficient reason why I should not endeavor to secure, as his successor, a competent one."

When the subject of fraudulent practice under the old law was referred to, Captain Hackett said:

"In my judgment, the enactment of a well-considered law will greatly

REDUCE THE AMOUNT OF FRAUD

which is perpetrated nowadays under State laws. Such reduction will redound to the best interests of all honest people."

In answer to the question as to the greatest source of opposition to the carrying out of this provision of the Constitution, Captain Hackett said:

"The most pronounced opposition of which I have any knowledge is a few large houses in different parts of the country. Mind you, I do not say all of the large houses, but only a few of them. I could, I feel sure, count them on the fingers of one hand. The reason that these houses do not join the rest of the large houses, the medium-sized, and small ones, and the debtors in their demand for such a law, is simply because they have means of advancing

THEIR OWN SELFISH INTERESTS

which are not available to the others whom I have named. Generally, their accounts are large, and by means of having legal departments and commercial agencies in their own houses they are enabled to act more quickly and effectively than other creditors. In pretty nearly every case in which they are interested in a failure it transpired in the end that they have taken advantage of their fellow-creditors who have equal rights with them. These big houses have succeeded in bringing a very great influence to bear, and I attribute to this influence the long delay that has been experienced in securing this legislation."

Upon the subject of good and bad laws, Captain Hackett said:

"From the beginning of time until now it has been the invariable rule that good men and good laws go together; bad laws are chiefly for the evil practices of bad men. The people of this country deserve a good law, and I do not know of any reason why Congress should not enact one for their benefit. The statement has been made to me, and I am glad to repeat it, that there is no considerable number of petitions or requests on file before either House of Congress asking for the passage of a bankruptcy bill for the benefit of the debtor alone or for the benefit of the creditors alone, but that all of the requests which have been filed are for a complete and comprehensive measure."

When asked to state his views as to voluntary and involuntary bankruptcy, he said:

"We buy large quantities of goods, and in that capacity are debtors, and I do not know of any reason why a law should be passed for our benefit any more than why one should be passed for the benefit of our creditors who sell us these goods; this transaction is a purely voluntary one on the part of both of us, and it seems to me as though any law upon the statute books upon the subject should comprehend

THE RIGHTS OF BOTH OF US.

We, in turn, sell the goods which we thus buy to persons who voluntarily become our debtors. I do not, therefore, in this connection see any reason why we, as creditors, should enjoy any rights the reciprocal of which are not enjoyed by our debtors. They do not ask any law only for their protection, nor do we ask any law purely for our protection. It follows, therefore, in my judgment, that a partial law—that is, one in favor of either class to the detriment of the other—would curtail credits and be of very great harm to both of the parties having transactions or doing business together.

"I note that there seems to be a disposition on the part of some eminent Members of Congress to give the country the kind of

A BILL WHICH IS NOT WANTED

by anybody outside of Congress so far as I can learn. Why this should be so is beyond my comprehension."

When asked to name his preference as between the bills pending before the Senate, Captain Hackett said:

"Our people have been a unit for a number of years in support of the Torrey bankruptcy bill. It was first approved, named for its author, and promulgated by a national convention held in Minneapolis in our State. Many of our leading citizens were members of that conven-

tion. Since then it has been amended from time to time as wise suggestions have been made until it is conceded by all who are informed upon the subject to be a perfectly fair, plain measure. I am confident that if enacted it will accomplish untold good. A great army of men who are now helpless but hopeful will get a discharge under it; it will advance the interest of all those who want credit and all those who give it. I am confident that the business enterprises of the country will receive an impetus from this source which can not be obtained from any other."

STRONGLY SUPPORTED.

The Torrey bankruptcy bill has been discussed by two or three Congresses. Perhaps no bill has ever gone to Congress so strongly supported as the Torrey bill is by the commercial organizations of the country. The board of trade of nearly every considerable town has passed resolutions favoring it. In the nature of things these resolutions hardly meant more than that the trading community wants a bankruptcy law. But the bill, as to its provisions, has the indorsement of those who had thoroughly studied it and are best qualified to say whether or not it is wisely drawn. The best lawyers and statesmen of the country, it is not too much to say, perhaps, are equal in opposing the form and substance of the bill.

The situation, therefore, is that the business men of the country want a bankruptcy law, and the Torrey bill, according to expert opinions, is about the best that can be drawn. This ought to mean, of course, that the bill will easily pass, but it does not.

There are many men, and they are represented in Congress out of all proportion to their numbers, who want a bankruptcy law only on condition that it favor debtors at the expense of creditors. Mr. Bailey, of Texas, may have fairly represented this class in the last fight over the bill in the House. His substitute for the Torrey bill was practically a device for enabling debtors legally to get rid of their debts. The creditor in it was given no protection whatever, whereas the interests of both creditor and debtor are carefully guarded in the Torrey bill.

In our opinion a bankruptcy law drawn in the supposed interests of debtors would be

WORSE THAN NO LAW AT ALL.

What is wanted is a law which, while doing justice to all concerned, will leave the man who surrendered all to his creditors free to begin a new business life. A law intended to bring about this result without regard to the interests of creditors would do only harm. It would

render the collection of debts less certain and enlarge the opportunities of dishonesty. To the exact degree that it did so, it would limit the credit of business men and increase the caution of lenders and investors of capital.

It is certainly not well that the opportunities of honest men may be decreased in order that those of dishonest men may be increased.

A law which is too harsh to debtors is certainly to be deprecated, but a law which in its leniency to debtors makes money costly and difficult to obtain is perhaps capable of doing a country more harm.

The Torrey bill seems to meet fairly all the difficulties of the situation and we hope it will become a law.—The Macon (Ga.) Telegraph.

A SPICY DIALOGUE ON BANKRUPTCY.

At the close of the address upon the subject of bankruptcy before the First Western States Commercial Congress * * the following colloquy took place, as appears by the proceedings of that body:

Judge JAY L. TORREY. Mr. President, my address has not been comprehensive of the whole subject of bankruptcy legislation, because I thought it would be occupying too much of your valuable time to consider more than the salient points. I will, therefore, be glad if the members of the congress will ask such questions as they may desire.

Mr. U. S. HALL (president of the Missouri Farmers' Alliance). Judge Torrey, will not the proposed law, if enacted, tend to create litigation?

Answer. No, sir; on the contrary, it will tend to decrease it. * * * It provides for the compromise of controversies and

INEXPENSIVE ARBITRATION

as a substitute for prolonged and expensive litigation. [Applause.]

Question. How will the expenses under this bill compare with those under the last law?

Answer. Under the old law the officers received fees out of the estate; in many instances the administration of estates was delayed, with the effect that large fees were collected by the officers. We have provided an entirely different system and will secure a different result. * * *

These fees are less than are paid in any State for like services. They are so paid that every officer is financially interested in promptly performing his duties; the result will be a quick and inexpensive administration of the law. [Applause.]

Question. I want to know if under this measure, if it should become a law, an embarrassed man or merchant can safely

call a meeting of his creditors to consult with them?

Answer. I thank you very much for asking that question.

The members of this congress will be surprised, I am sure, to learn that under the laws as they exist in most of the States an embarrassed debtor can not call a meeting of his creditors without inviting his own financial ruin. That is to say, the creditors, instead of coming to the meeting, would at once commence attachments and other suits and the result would be a disastrous failure.

We must all agree that the first thing an embarrassed debtor ought to do would be to call a meeting of his creditors for a consultation to the end that their rights and his might be protected.

If our bill should become a law, the condition will be changed and every debtor who so desires can call a meeting of his creditors. This condition is possible because under the provisions of the bill it will not be possible for creditors to take advantage of their debtor or of each other, and in turn the debtor will not be able to take advantage of his creditors. The necessary result will be that the number of

FAILURES WILL DECREASE

under the operations of the law as compared with those which now occur. * * *

Hon. WILLIAM H. CATE (Congressman from Arkansas). I understand that the passage of the bill will not interfere with the State exemptions?

Answer. The bill does not interfere with State exemptions, but provides that the bankrupt shall receive the exemptions provided by the laws of the State in which he lives at the time the petition is filed.

Question. In what courts will the proposed law be administered?

Answer. The inquiry as to whether or not an act of bankruptcy has been committed, the distribution of the property, and the discharge or the refusal of the discharge of a bankrupt will be determined in the United States district courts.

Persons having property interests adverse to the trustee may commence proceedings in the

APPROPRIATE STATE COURTS

or in the United States district courts; or, if nonresidents and otherwise qualified, in the United States circuit courts. The trustee will be limited in instituting proceedings to the State court or to the United States circuit court, if the bankrupts would have been entitled to have instituted proceedings in those courts in the event they had not been declared bankrupts. The purpose, of course, is to have the litigation incident to property rights tried at places which will be most

convenient to parties in interest. [Applause.]

A delegate from Illinois. What are the respective rights of home and foreign creditors?

Answer. They are the same. Contracts of the same class are of equal sacredness, irrespective of the residence of the contracting parties. [Applause.]

Mr. MERRILL MOORES. If the bankrupt be a country merchant, will he be at the mercy of the city creditor to any greater degree than he is now?

Answer. No, sir. The passage of this bill will materially benefit the position of every country merchant and of every debtor as well as the position of every creditor.

Under the laws as they now stand, if a creditor suspects his debtor, whether a country merchant or some other person, is in financial trouble, he usually commences an attachment suit, and as a result the debtor is thrown into liquidation irrespective of whether he is solvent or insolvent. This course is ordinarily imperative from the creditor's standpoint, because if he does not pursue that course some other creditor will, and as a result the other creditor will collect 100 cents on the dollar of his claim and he will get nothing.

If this bill should be passed

A CONSERVATIVE TONE

will be engendered between creditors and debtors and these impositions and hardships will not be possible.

The results of operating under laws as at present are that failures are steadily on the increase, not only in number but in the amount of liabilities. The honest people of this country insist that the laws under which this increase is occurring shall be superseded by one uniform, equitable law for the protection of the debtors and creditors alike, and they earnestly believe that the next Congress will pass such a law.

Question. What provisions does your law make, if any, for the prevention of preferences?

Answer. It prohibits them. Creditors of the same class will receive pro rata dividends upon their respective claims.

Question. Does the bill contain provisions designed to prevent wrongs which are now perpetrated by debtors with rich wives and confidential creditors?

Answer. It does. The makers of fraudulent conveyances will be put in the penitentiary and the property will be taken away from the beneficiaries for the benefit of the bona fide creditors. [Applause.]

Gentlemen, are there any further questions? [No response.]

Judge TORREY. Mr. President, I beg to thank the congress, through you, for

its consideration and kindness.—The T. P. A. News Letter and Organizer.

RELIEF FOR THE BANKRUPTS.

GENERAL GARLAND SAYS CONGRESSIONAL ACTION IS MOST URGENT—THOUSANDS OF DEBTORS SO HOPELESSLY INVOLVED THAT ONLY A NATIONAL BANKRUPTCY ACT CAN GIVE THEM A NEW START IN LIFE.

Ex-Attorney-General A. H. Garland believes that one of the greatest necessities in the way of Congressional legislation is the enactment of a uniform, comprehensive, and just bankruptcy law. As a practitioner of many years, recognized by all with whom he was thrown in contact as possessing a great judicial mind, United States Senator for eight years from the State of Arkansas, and afterwards Attorney-General of the United States under President Cleveland's first Administration, his opinion upon a question of this kind must be accepted as having great weight with every man in public and private life. His long experience in the practice of the law in his own State and others makes his opinion doubly valuable. General Garland proceeded to discuss the question in a vigorous manner. He said:

"A national bankruptcy law is

A PRIME NECESSITY.

The country is demanding it, the people need it, and Congress should respond to these demands. I believed and hoped that legislation would be obtained under the Congress which has just adjourned, but the Senate was unable for some reason to consider this question, which is so important to the material welfare of hundreds of thousands of our formerly best citizens, but now impoverished by adversity."

In answer to a question as to whether the necessity for such a law was sectional, he said:

"This is not sectional, but the same condition exists in every State in the Union; in some States to a greater, and in some to a less extent, but without a single exception demanded by them all. My own section of the country, for instance, and it is only a fair example of the condition existing in almost every section of the Union, is crippled in its business expansion and development simply because thousands of our best and formerly most influential citizens—those who are always the foremost in all plans for the development of home industries and the expansion of local business and commercial transactions—

ARE DISTRESSED FINANCIALLY,

some to even an extent that it is painful to contemplate. These men can not meet

their obligations; they can never hope to pay them at the wages paid for work and labor. They are, in fact, bankrupt, many of them to such an extent that they can not borrow even small sums to meet their actual necessary expenses. They can be relieved by the passage of a good bankruptcy law."

When asked why the States could not pass such a law General Garland replied: "These debtors can not secure relief from any other source than Congress, because, under the provisions of the Federal Constitution, Congress can, and the State legislatures can not, pass a national bankrupt law—a law to operate upon debtors and creditors in all the States alike. Congress alone has the power to give these unfortunates a new lease on life, and to prolong action any further is a very great injustice. I do hope that a bill will be passed by Congress which will enable these men to again start business."

When asked to express an opinion as to whether Congress should pass a purely voluntary law or one for both voluntary and involuntary bankruptcy, he said:

"In legislating upon this question Congress must exercise discretion. It should not pass a bill which favors any class, but treats all people affected by it alike. I have been unable to understand why a few of our Southern Senators and Representatives have expressed themselves as opposed to a law embracing both voluntary and involuntary bankruptcy. It is incomprehensible to me how anyone can favor a law for only voluntary bankruptcy. A voluntary law only

CAN NOT BE JUSTIFIED

on any grounds.

It is a broad question, but let us look at it for a minute from the standpoint of the retailer and consumer. The jobber in the commercial center has customers in all the small towns in that section of the country; he sells to these customers on time, and in this way they are able to get goods; they could not pay cash for them; they disposed of them in many cases before their accounts or notes fall due, and were thus enabled to pay for the goods, not out of their own pockets, but out of the money realized from sales, and probably in addition have realized a profit. If a law should be passed solely for the relief of these debtors, one under which they could sell the goods and put the money safely away and then go into voluntary bankruptcy, do you think they could purchase any more goods on time? They could not, and who would be the most injured, the jobber, who can keep his goods, or the debtor and his customers, who want but can not get them, unless it be for cash or after giving security or on short time at an exorbitant profit?

There is, in my judgment, only one

side to this question for fair dealing men and that is opposition to such a law. It might serve the purposes of dishonest men, but their wishes ought not to be considered by the lawmakers."

In making a comparison between the rights of the people under the diverse and imperfect State insolvency laws, and what they would be under the Torrey bankruptcy bill, the General said:

"Let me give you an illustration from the oft-repeated actual experience of our people, which shows the necessity for a national law on this subject. A great many of our most extensive planters borrow money on time with which to make their cotton and other crops. Occasionally they have trouble in meeting their obligations as they mature, because of accidents to the crop while growing or low prices of the matured cotton. When the planter finds himself in that fix he learns, much to his regret, as well as often to his damage, that he is in

VERY GREAT DANGER

of having his product seized by the sheriff, at the instance of individual creditors, and sold at sacrifice sales, either in our State or in any of the States through which it passes on its road to market. If being in such a position, any one of his creditors, although his claim may be very small, may, by instituting suit, bring on a conflict between creditors which will bring financial ruin to the planter without any substantial benefit to any of the creditors except the one first instituting proceedings.

"Now let me anticipate for you the conditions as they would exist under the Torrey bill if it should become a law. The planter while acting honestly with reference to his property, and while being actually solvent, would not be in the slightest danger of being wrecked by any one of his creditors individually or all of them collectively. If any creditor should hastily or otherwise improperly institute proceedings and seize the cotton en route to market, the debtor could file his own petition, and thereby secure the dissolution of the attachment and almost immediately

OBTAIN A SETTLEMENT

under the provisions of the law which would give him the needed time in which to realize upon his crop and thus place him in a position to satisfy his creditors."

In referring earnestly to the necessity for such a law, General Garland said:

"There are large numbers of people all over the West who have simply gotten to a point where they must have relief, and the only way to secure it for them is by the passage of this measure embracing both voluntary and involuntary bankruptcy. I can not be made to believe that the intelligent people of our country want

a voluntary law enacted which will enable them to swindle their creditors; or that they want such a law enacted which would enable the factors and commission men of the cities and the manufacturers to beat the planters out of their crops."

When speaking of the bankruptcy bill before the last Congress, the General said: "The Torrey bill has been improved from time to time since first introduced in Congress many years ago until it is, I believe, the best measure of that kind ever drafted. Its enactment will benefit all honest men, irrespective of whether they are debtors or creditors, or both."—Post, Washington, D. C.

A DESIRABLE AND NECESSARY MEASURE.

There is a strong possibility of the Torrey bankruptcy bill being passed by the Senate, it having already passed the House. It is to be hoped that nothing will prevent the enactment of this bill.

A measure of this kind is desirable and necessary, and the Torrey bill is the only one presented that is fair and equitable to all parties. It provides for both voluntary and involuntary bankruptcy, and will fill a long-felt want for both the honest creditor and the honest debtor. The bill should be passed at this session of the Congress without delay.—Ben Barlow's Budget, Douglas, Wyo.

ON BANKRUPTCY LEGISLATION.

OPPOSITION DECLARED TO BE DUE TO SELFISH INTERESTS—JUDGE TORREY TALKS ON PROGRESS OF BILL BEFORE CONGRESS—FEELS CONFIDENT IT WILL YET PASS—SECRETARY MOORE, OF MERCHANTS' ASSOCIATION, ALSO SANGUINE OF SUCCESS.

Judge Jay L. Torrey, author of the Torrey bankruptcy bill, has spent the past few days in Boston. He gave a Boston Herald reporter some material in relation to the matter of bankruptcy legislation at the rooms of the Boston Merchants' Association yesterday afternoon. Mr. Beverley K. Moore, secretary of the association, who has always been a strong supporter of bankruptcy legislation, was present at the time, and he, too, furnished valuable information concerning the bill.

Judge Torrey said that the friends of the bill were greatly disappointed that the Senate did not pass the measure prior to adjournment, but they feel confident it will be passed by the present Congress.

Mr. Moore here referred to the gains which have been made in Congress since the Torrey bill was first introduced.

"In the Fifty-first Congress," said he, "only one member of the House—from Texas—voted for the bill, while in the last House all of the members of that large delegation voted for the bill, except,

I believe, two—one of them being the Hon. Joseph W. Bailey, the distinguished author of the bill for purely voluntary bankruptcy."

In explanation of the very general demand for the passage of the bill, Mr. Moore submitted a table showing the vote of the House for and against the bill at the last session, as follows:

	Yea.	Nay.
New England States	18	0
Middle States	44	3
Southern States.....	31	40
Central States.....	26	13
Western States.....	30	22
Pacific States	7	2
Total.....	156	80

Majority, 76; paired and not voting, 116.

Concerning the table, Mr. Moore said: "You see that the bill received a majority of the vote in every division of the country except in the Southern States, and their majority was very small."

Judge Torrey was asked as to the greatest source of opposition to the passage of the bankruptcy bill by Congress. He replied: "I am glad you asked me that question, as the subject is of general interest. It has been alleged that the Western States are opposed to this legislation, but you see this is not true by reference to the table which Mr. Moore has furnished. The same may be said as to the New England, Middle, Central, and Pacific States. It is true that, as shown by that table, our friends were not in a majority in the South in the House when that vote was taken, but some of the warmest friends we have in the whole country are in the South.

"The opposition comes from

A FEW GREAT HOUSES

which do not want a bankruptcy bill passed because it will interfere with their selfish schemes. One of these houses is located in New York, three in Chicago, and one in St. Louis. Their work has been very effective in the past, but will not be, I think, in the future, as their selfish interest in the fight they are making is coming to be very generally understood.

"I think we would have succeeded in the last Congress except for the fact that a member of one of these great houses, who is an ex-Senator of the United States, came to Washington and personally lent his great influence to prevent a vote being taken."

In reply to the inquiry as to the probabilities of future success, Judge Torrey said:

"It seems to me perfectly plain that Congress will pass a bankruptcy law. It is not so plain what kind of a law it will be. While I confidently believe that our

bill will be passed, still I can not forget that the House in the Fifty-third Congress passed the voluntary bill of Mr. Bailey of Texas, and that the Senate Committee on the Judiciary, by a majority of 1 recommended it for passage in the last Senate. On the other hand, this

VOLUNTARY BILL WAS VOTED DOWN

in the House in the Fifty-first, Fifty-second, and Fifty-fourth Congresses by large majorities. In the last House Mr. Bailey did not succeed in having enough members come to his assistance to enable him to secure a call of the roll for the ye-and-nay vote on the question of substituting his bill for ours."

In the course of the conversation the universal kindness of the press of the country on this subject was referred to, and in that connection Mr. Moore said: "While the press has been very kind on the whole, the fact remains that from a newspaper standpoint the subject of bankruptcy legislation is not so interesting as very many other matters, and as a result important interviews and communications have frequently failed to find a place in the newspapers.

"This fact has led to a very general inquiry among our friends in the different parts of the country as to whether there ought not to be a regular publication in the interest of bankruptcy legislation. It is claimed that such a magazine would prove of great interest to debtors and creditors all over the country, as through that source they could be kept advised of what is being done, and when a bill is passed, could learn through that channel of its operations.

"In addition, it has been suggested that this constitutional right has lain dormant so long that the present generation of men engaged in conducting business and promoting enterprises are not fully advised as to it, and hence that there should be a publication devoted to this subject which would not only be an aid in securing the passage of a comprehensive bill but in protecting it, after being passed, from wrongful amendments or repeal. Arrangements have been completed for the early publication of a journal of that character, to be edited by Judge Torrey."

The judge said that he had just received a telegram from Senator Hoar which indicated a purpose on his part, as chairman of the Senate Judiciary Committee, to endeavor to secure the early report, consideration, and passage of the Torrey bill in the Senate.

"The speech made by Senator Hoar at the last session of the Senate," said Judge Torrey, "was an admirable exposition of bankruptcy legislation, and it will remain for all time as a standard expression upon this subject in the records of Congress."

Mr. Moore was asked to give an estimate of the strength of the bill in the

Senate, and he replied: "What we know upon that subject is, of course, confidential. We have not any fears as to the passage of the bill if a vote is reached. Of the retiring Senators at the close of the last Congress some seven or eight of our very worst enemies were included in the number.

"Our information is that not more than about three, perhaps not that many, of the new Senators will be opposed to the passage of a comprehensive voluntary and involuntary, just, and equitable bankruptcy bill in preference to a temporary measure for only voluntary bankruptcy."—Boston Herald.

BANKRUPTCY LEGISLATION.

All of the credit men's associations have recently, to a greater or less extent, discussed bankruptcy legislation, and have considered both the Torrey and Bailey bills. Many of them have manifested their interest by drafting and forwarding resolutions to Congress, and in every instance the Bailey bill has been condemned and the Torrey bill approved.

It is believed that it is not now a question whether the bankruptcy bill will pass, but a question of whether the Torrey or Bailey bill will become a law.

It was at first thought inexpedient by the officers of the National Association to take up the discussion of bankruptcy legislation, because of the fear some had that the discussion might result in a division among the members of the association, but it is now the opinion that the associations of credit men should earnestly lend their aid to at least the

DEFEAT OF THE BAILEY BILL.

As far as we are advised of the action of the various local associations, we give below:

The Milwaukee association, on January 21, gave attention to a carefully prepared paper on the Torrey bill by Guy Goff, resulting in a resolution directed to Senators Vilas and Mitchell, asking them to use their efforts for the

PASSAGE OF THE TORREY BILL

and to secure the defeat of the Bailey bill.

The Cincinnati association held a very spirited meeting January 23, thoroughly discussing the Bailey bill, and resolutions were adopted calling upon the commercial bodies of the city to take some action protesting against the bill, and letters embodying the protests of the Credit Men's Association were mailed to Senators Sherman and Brice.

At its annual meeting January 9, the Detroit association, after a discussion of the Torrey bill, passed resolutions recommending its adoption.

The St. Joseph association held a meeting at the Commercial Club rooms, January 22, and after a very lively discussion adopted resolutions against the Bailey bill, and sent telegrams in the name of the association to Senators Vest and Cockrell, requesting them to vote against the bill.

The Sioux City Credit Men's Association has for a long time been opposed to the Bailey measure, and on January 18 addressed resolutions to the Senators from Iowa urging its defeat.

While it is believed that the greater number of the members of the various local associations favor the enactment of the Torrey bill, there is no doubt about the unanimity of their opposition to the Bailey measure.

Ever since the formation of the Detroit Association of Credit Men, September 15, it has been a very active and strong association. Its officers and members, all appreciating the great importance of both the local and national associations, have done everything in their power to advance the interests of each. Then followed an informal discussion of the Torrey and Bailey bills, the last being severely criticised and condemned, the first being approved, and resolutions were passed to this effect. The following officers for the ensuing year were elected: President, D. C. Delamater; vice-president, Philo E. Hall; treasurer, William D. Gridley; executive committee, O. R. Baldwin, George B. Pulver, J. H. Bishop, A. D. Babcock, Herman Krolik, W. S. Campbell.

The Credit Men's Association of Baltimore have forwarded to Senator Gorman a lengthy petition favoring the passage of the Torrey bankruptcy bill, now before the United States Senate.

The signatures which were appended to the memorial include numerous bankers, merchants, and manufacturers prominent in the business life of Baltimore, and were all obtained in a few hours' time through the efforts of the association. The memorial is as follows:

To the Senate:

Your memorialist, the Baltimore Credit Men's Association, respectfully represents that it is composed of men, both debtors and creditors, who are engaged in securing and giving credits in the transactions of the commercial and industrial world; that the objects are to prevent imposition, injustice, and fraud among all those within the sphere of its influence, to the end that their

PROSPERITY AND HAPPINESS

may be augmented.

Your memorialist calls attention to the fact that under the plan of organizing the government as adopted by our constitutional forefathers it was provided

that Congress should enact uniform bankruptcy laws for the whole country, and the States were forbidden to impair the obligation of contracts; that it follows, therefore, that a State can not enact a bankruptcy law; that the fact that Congress has given this constitutional right to the people only for three limited periods has resulted in the several States enacting makeshift laws for the adjustment of the affairs of unfortunate debtors and their creditors; that these attempts on the part of the States constitute a most effective protest against further inaction on the part of Congress; that it was and is, and under the Constitution must always remain, impossible for the States to pass a comprehensive bankruptcy law; that the more their legislatures have struggled with the problem of how to avoid the provisions of the Federal Constitution, as above, and at the same time to give relief to debtors and creditors, the less we know of our rights as debtors and creditors; that with the existing status of State insolvency laws and decisions

CONFUSION AND CHAOS

reign supreme, resulting in credit being insecure to those who give it and costly to those who receive it.

Your memorialist further represents that, although our laws for the promotion of credit have been ineffective and permissive of wrongdoing, the actual money used in conducting business, running factories, and employing the army of laborers from day to day all over the country is infinitesimally small as compared with the great volume of credit used therein; that, in fact, credit plays so important a part in conducting the affairs of those who do the work of the world that if it should be withdrawn or materially diminished it would well-nigh

STOP THE WHEELS OF COMMERCE

and cause untold suffering to labor.

Your memorialist further represents that a perfect credit system would almost do away with the necessity for money; that if credits be secured the transactions of the business man and laborer may go on uninterrupted, although the speculative world may writhe in the throes of a panic for the want of ready money; that it is, therefore, of the greatest importance to debtors and creditors that our laws should protect the rights of both.

Your memorialist further represents that the enactment of a wise and equitable bankruptcy law would produce many good results, and among them the following: Strengthen the credit of the manufacturers, who buy from the producers of raw material, and thereby stimulate the production of all raw material;

extend the credit of jobbers, who buy from manufacturers, and hence increase manufacturing; enlarge the credit of retailers, who buy from jobbers, and thereby enlarge the volume of the wholesale and retail trade; in extending credit, make more continuous than at present the employment of laborers in the various ramifications from the production of raw materials through their various transition periods to their final use by the consumers, and secure to honest, unfortunate debtors a discharge and to dishonest ones a merited punishment, and to their creditors the enforcement of their equitable rights.

Your memorialist further represents that the Torrey bankruptcy bill was originally drafted and has since been amended from time to time in the best interests of both the

DEBTOR AND THE CREDITOR

classes of the whole country; that it is couched in plain and concise language, and is comprehensive of the principles which such a law ought to contain, and therefore should be enacted at the present session, not only for the benefit of those who secure and give credit, but for the whole people.

Respectfully submitted.

CREDIT MEN'S ASSOCIATION OF BALTIMORE.

Samuel Rosenthal, president; Geo. L. Pender, secretary and treasurer; and Tregellas, Hertel & Co., R. M. Sutton & Co., Strouse & Bros., Daniel Miller & Co., Hodges Bros., Schloss Bros. & Co., Young, Creighton & Diggs, John E. Hurst & Co., Frank & Adler, Dobler & Mudge, Benedict Bros., Matthai, Ingram & Co., J. A. Edmondson & Son, North Bros. & Strauss, William Fuller & Co., Smith, Dixon & Co., H. P. Chandlee, Sons & Co., Baker Bros. & Co., Swindell Bros., The Gottschalk Company, Louis Becker, secretary; Gilpin, Langdon & Co., W. J. Dickey & Sons, Francis Schleunes & Co., Lyon, Conklin & Co., Oakland Manufacturing Company, Herbert Hooper, treasurer; The Stilwell-Bierce and Smith-Vaile Company, J. W. Taylor, manager, by E. C. Butner; John R. Bland, vice-president; The United States Fidelity and Guarantee Company, Edward B. Bruce & Co., Clinton A. Wright, Martin Gillet & Co., Rennous, Kleinle & Co., F. Sippel, cashier Third National Bank; C. A. Gambrill Manufacturing Company, A. Gambrill, treasurer; Douglas H. Thomas, president Merchants' National Bank; Bartlett, Hayward & Co., The American Bonding and Trust Company of Baltimore City, by John T. Stone, secretary; William W. Ziegler, National Union

Bank of Maryland, Fidelity and Deposit Company of Maryland, per Edwin Warfield, president; Townsend, Grace & Co., Clark, Colmary & Co., Drovers and Mechanics' National Bank of Baltimore, G. D. Muller, cashier; Nusbaum & Myers, K. Birkenwald, G. S. Howser & Co., Baltimore Bargain House, Dixon-Bartlett Company, by M. Dixon, president; J. Hurst Purnell Company, Dowell, Helm & Co., Armstrong, Kator & Co., Trautmann, Heller & Co., A. F. & J. H. Horner, S. F. & A. F. Miller & Co., United Shirt and Collar Company, Johnson, Boyd & Co., B. Kohn & Bro., Hirshberg, Hollander & Co., M. Strauss, Western National Bank of Baltimore, J. G. Harvey, president; Joseph Scheuster & Co., M. Ring & Sons, Henkelman-Jackson Company, Winkelmann-Brown Drug Company, Witz Son & Co., S. Halle & Sons, Strauss Bros., Spragin, Buck & Co., Elhart-Joyes Company, J. Mann & Sons, Ambach Bros. & Co., Maas & Kemper, John A. Horner & Co., F. A. Davis & Co., Carroll Adams & Co., Templeman Bros., John A. Griffith & Co., J. Weinburg & Co., G. A. & A. L. Horner, William Numsen & Sons, William P. Hepperia, acting secretary; The B. C. Bibb Stove Company, per A. D. Steman, president; E. Rosenfeld & Co., Faultless Chemical Company, M. Dillenberg, vice-president; Cohen-Adler Shoe Company, H. J. Farber & Co., William Wilkens & Co., M. S. Levy & Sons, Boyd, Jones & Co., Biedler Bros., Oppenheim Bros. & Co., Hamburger Bros. & Co., Henry Sonnenborn & Co., M. H. Lauchheimer & Sons, Brigham-Hopkins Company, Robert D. Hopkins, treasurer; Carlin & Fulton, Chesapeake Rubber Company, Oppenheim, Oberndorf & Co., Crook, Horner & Co., Charles Pracht & Co.

Senator Gorman replied by telegram that he would continue to do all in his power to secure favorable action upon the measure.—The Lawyer and Credit Man, New York.

PUBLIC POLICY JUSTIFIES IT.

In Article I, section 8, clause 4 of the Constitution of the United States it is provided that Congress shall have power to establish "uniform laws on the subject of bankruptcies throughout the United States."

This power given to the Federal Congress has been exercised only three times—in 1800, in 1841, and in 1867. All were emergency laws, and were promptly repealed when the emergency passed.

What is known as the Torrey bankrupt bill, a measure prepared by Jay L. Torrey, was passed by the House of Representatives last year.

The first question that naturally presents itself is, What is the

PURPOSE OF A BANKRUPT LAW.

The answer is that the simple purpose of a bankrupt law is to secure an equitable distribution of the property or effects of an insolvent debtor among his creditors and to secure to him a discharge if he is honest. Any law which will accomplish these results with certainty, with expedition, and with as small an expense as possible will be satisfactory to both debtor and creditor.

To-day each State legislates for itself upon this subject, and consequently there can be no wonder at the resulting injustice, conflict, and confusion. Preferences may be given by the insolvent, and the beneficiary of this right is generally some dear brother-in-law or other relative with a confessed judgment.

Under the Torrey law there will be no confessions of judgment, no preferences, no previous transfers of property. It will be a boon to the honest insolvent and a terror to the dishonest. Under it the entire estate of the insolvent, except his exemptions as allowed by the State laws, will be turned over to the bankrupt court.

The fees that would be paid to referees under this law are much smaller than fees that are allowed assignees by State or county courts.

The "game of grab" now resorted to will be done away and the small creditor and the large will be treated alike. The race of "getting in first," which has so often led to vexatious attachments, unnecessary suits and trouble, with consequent loss to creditor and debtor, will have been a thing of the past.

THE WASTE AND INJUSTICE

that now attend the winding up of a bankrupt's estate is simply shameful and alarming. The lawyers and receivers are the largest beneficiaries. Enormous fees are charged and allowed, being out of all proportion to the value of the services rendered.

As an example, we cite attention to the failure of Deimel Bros., of Chicago, last year. The lawyer who asked Judge Collins for an early closing of the affairs of the concern made the following significant statement:

"The operation of the business is costing about \$600 per day. Master Boyensen is receiving \$40 per day; two lawyers for the receiver, \$175. The receiver is paid at the rate of \$75 to \$100 per day; a book-keeper, \$50 daily. The receiver of the American Parlor Frame Company is com-

pensated \$75 a day; his lawyer, \$75. There are numerous other expenses, amounting to about \$725 per day."

Look at that and tell us where the small creditor is coming in. Perhaps the very goods that he has supplied on credit and which form a part of the effects of the insolvent are being wasted on such ornamental officers.

There are so-called lawyers who make it a business of wrecking different concerns for the purpose of getting ornamental fees.

Every honest but unfortunate insolvent should receive protection, and the law should so administer his estate that all his creditors, be they great or small, receive a pro rata distribution of the same, and that he then be discharged. A sound public policy justifies and demands it.

Man was not made for the law, but the law was enacted to subserve his interests.

We hope that the Torrey bill will become a part of our national law.—The Broadax, Salt Lake City, Utah.

A PERMANENT OR TEMPORARY BILL?

The friends of a national bankruptcy law will learn with interest that there is a strong prospect of the enactment of some legislation of this character in the near future. The contest for a series of years has been as to whether or not there should be bankruptcy legislation by Congress as contemplated by the Constitution; to-day, however, the controversy has become narrowed down to the question whether there shall be a permanent comprehensive law, involving both voluntary and involuntary bankruptcy and protecting all the rights of both debtors and creditors, or whether a temporary bill, to expire in two years by its terms and to be administered in part in the State courts, shall be enacted.

On the one hand there is the Torrey bill, which has been fully discussed in and out of Congress, has been twice passed by the House of Representatives by a large majority, and has been approved by most of the commercial and industrial organizations of the country. The bill is on the lines of bankruptcy laws in other countries and has been so amended, in the course of the many battles through which it has passed, that it is now conceded to be a well-nigh perfect measure.

On the other hand the Bailey bill, first drafted many years ago by Senator George, of Mississippi, and passed in the Fifty-third Congress by the House of Representatives, is so weak a measure that when sent to the Senate it expired by neglect after Senator George had made a speech in its behalf, and in the House of Representatives at the last session a sufficient following could not be mustered to secure a roll call on it. Nevertheless, Mr.

Bailey has, we understand, succeeded in obtaining a favorable report on his bill from a majority of the Senate Committee and is daily using his influence to secure its passage.

It must seem inexplicable to the business world that the Bailey bill should stand any show whatever of being enacted. Such a condition can only be explained on the ground that its sponsor is plausible and diligent, and that business men have not taken a proper interest in the question.

It will be truly deplorable if, through neglect on the part of those most deeply interested, the Senate shall give this unsatisfactory measure preference over the wise and carefully studied Torrey bill, which the House has so strongly indorsed.—Dry Goods Economist.

SHOULD HELP BOTH SIDES.

JOBBER'S UNION ACTS ON THE BANKRUPTCY BILL—AT A SPECIAL MEETING RESOLUTIONS ARE PREPARED TO BE SENT TO SENATORS DAVIS AND NELSON—JOBBER'S DO NOT APPROVE THE BAILEY-GEORGE BILL NOR SENATOR NELSON'S AMENDMENTS, BUT THEY DO FAVOR THE TORREY BILL—INTERESTS OF DEBTORS AND CREDITORS.

A special meeting of the St. Paul Jobbers' Union was held yesterday afternoon to consider the various bankruptcy bills now before the United States Senate. The commercial organizations of the entire country are deeply interested in the passage of a bankruptcy bill that will emancipate the large class of debtors that has been carried down during the critical period covering the past four or five years. The situation is somewhat complicated.

The Torrey bill has passed the House and is now before the Senate. This bill has been before Congress for several years and been considered by commercial bodies throughout the country and generally has met with their earnest approval. The Bailey-George bill is also before the Senate and Senator Nelson has introduced a bill making numerous amendments to it. Neither the Bailey-George bill as it now stands nor as amended by Senator Nelson meets the approval of the jobbers' union.

After a thorough discussion of all the bills the jobbers sent the following telegram to Senators Davis and Nelson:

"Resolved, That being both debtors and creditors ourselves, we earnestly protest against the passage of any bankruptcy law which does not embrace

ALL OF OUR EQUITABLE RIGHTS.

"Resolved, That in our judgment the passage of a law providing only for voluntary bankruptcy would prove far less beneficial to the debtors of the country who are without property than the pas-

sage of a comprehensive voluntary and involuntary law, because while such debtors might secure a discharge under such a voluntary law, still its existence would in a great measure bar them from securing credit, and thereby reaping the benefits of such discharge.

"Resolved, That the passage of a purely voluntary law would, in our judgment, prove well-nigh destructive of the interests of debtors who have property, because under the provisions of such a law

CREDITS WOULD BE CURTAILED,

and very large numbers of such debtors would be driven into liquidation simply for want of a continuance of credit, although amply solvent and able, with the aid of a comprehensive law, to go on in the promotion of enterprises and the conducting of business.

"Resolved, That the creditors of the country will, in our judgment, view with alarm the passage of a law which would make it possible for their debtors to prepare for and go into bankruptcy without such creditors having any corresponding rights.

"Resolved, That bankruptcy legislation, in which the rights of both debtors and creditors are fully preserved, will tend to relieve the present depressed conditions, but that any partial legislation designed to promote the interests of any class without reference to the rights of any other class, will prove most hurtful and make the conditions worse than they now exist rather than improve them.

"Resolved, That we reaffirm our indorsement of the Torrey bankruptcy bill, and respectfully urge our Senators to give to it the benefit of their support and vote."—St. Paul Pioneer Press.

BANKRUPT BILL IS NOW UP BEFORE THE UNITED STATES SENATE.

MADE THE SPECIAL ORDER OF BUSINESS IN THE SENATE—THE UNFORTUNATE, OR OTHERWISE, BANKRUPT TO BE CARED FOR.

The United States Senate has made the bankruptcy bill a special order, and no doubt will pass a bill of this character before adjournment.

Pronouncedly the Torrey bill has been considered and very generally indorsed throughout the country, and has been twice passed by the House of Representatives. The Torrey bankrupt bill was passed by the House of Representatives of the Fifty-first Congress; the Senate Committee on the Judiciary reported it favorably, but it was not reached for consideration. In the Fifty-second Congress it was reported favorably by the Committee on the Judiciary of the House, but its consideration was prevented by the "filibustering" of

a minority. In the Fifty-third Congress, first session, it was reported without amendment to the House by the Judiciary Committee; at the second session the enacting clause was stricken out by a small majority; it was slightly amended, and immediately reintroduced. In the present, the Fifty-fourth Congress, it has been favorably reported by the Committee on the Judiciary of the House, and reported by a minority of the Committee on the Judiciary of the Senate.

Heretofore the controversy has been as to whether or not Congress should enact a bankruptcy law as provided by the Constitution, but the question now is whether or not there shall be enacted a complete equitable voluntary and involuntary law (the Torrey bill) or the temporary bill recommended as above, which many good people believe would be detrimental to the best interests of the debtors and creditors of the whole country.

Hundreds of petitions from commercial, industrial, and professional bodies of every State in the Union have been sent to the Senate favorably recommending the enactment of the Torrey bill. Among the indorsers in Utah are Henry W. Lawrence, T. E. Crutcher, Fred Simon, Judge J. G. Sutherland, Salt Lake City; Edward P. Ferry, Park City, and the American Eagle at Murray City.—The American Eagle, Murray, Utah.

THE BANKRUPTCY BILL.

WHY FRANCIS B. THURBER FAVORS ITS PASSAGE—IT WILL PROTECT BOTH CREDITORS AND DEBTORS.

WASHINGTON, D. C., *February 9.*

Francis B. Thurber, of New York, is in Washington this week on behalf of the National Board of Trade, with especial reference to its advocacy of the passage of a bankruptcy law at this session of Congress. He gives as follows his reasons for favoring the passage of one of the bills now pending in the Senate in preference to the House Bailey bill:

"The needs of the country," he said, "demand a well-considered, thorough measure, which will be economically and promptly administered. It must be, in my judgment, a comprehensive measure, in order to meet the requirements of the situation at this time.

"The demand of the country is not, as I understand it, for experimental legislation, but for such as will, without doubt, meet the necessities of all classes of our people. Such a measure would be incomplete if it did not foresee and make provision for all of the legitimate wants of the debtors and also of the creditor.

"I find that there is a misapprehension to the effect that a purely voluntary bill would alone benefit the debtor class. This apprehension is enter-

tained by certain members of the Senate who have not yet, as they say, investigated the subject. I am one of that class, and I confess that I have considerable apprehension lest the bill shall be passed which will

INJURE RATHER THAN BENEFIT

all of the men similarly situated."

"That is to say, if a purely voluntary bill should be enacted, it would provide, it is true, for the discharge of the insolvent debtor, but at the same time it would, as I verily believe, be such a menace to credit that the debtor who had been discharged would, in a very large degree, be deprived from obtaining credit while it remained in force. It follows that a discharged bankrupt who applied for credit which alone would enable him to regain his lost fortunes would be met by the statement that the voluntary law under which he had obtained his discharge contained no provision for the protection of the rights of the creditor and hence he might as soon as he obtained cash or goods secure a second discharge and thereby swindle his friend.

"It seems to me quite clear that the debtor with means would be equally the sufferer under such a law, because his credit would be curtailed and a great many of that class would be

DRIVEN INTO LIQUIDATION,

although perfectly solvent.

These financial calamities would occur simply because of an inability to extend and continue their credit, as they would be enabled to do under a law that was alike to the debtor and the creditor.

No honest debtor need be afraid of the provisions of a law which protects the rights of his creditors as well as his own. Dishonest debtors might be benefited by a voluntary law, but they are the only class which would in their own selfish interest, advocate such a measure to the exclusion of one perfectly fair and just alike to both classes."

When asked to name his preference of the bills pending before the Senate, Mr. Thurber said:

"The Torrey bill is the only one which meets the requirements of the situation, as I understand them. I think every honest man in the country ought to support it and that every dishonest man ought to oppose it. Mind you, I do not say that all men who oppose it are dishonest, but simply that all dishonest men ought to oppose it because it is in the interest of honest men of all classes."—*Brooklyn Eagle.*

A JUST AND FAIR BILL.

It seems strange that a law so equitable in its character as the Torrey bankrupt bill should have such a hard time to pass.

If our Senators and Congressmen would pay little more attention to questions of vital interest to all, in place of wrangling over some political points that benefit no one except politicians, they would come near accomplishing what they are elected for.

This matter can never become a unit in interest until there is a just and fair law that will protect the honest and insolvent debtor and the legitimate creditors in every State in the Union. The Torrey bankrupt bill is the nearest to that law, and should be enacted at once.—Pueblo (Colo.) Adviser.

DEBTORS AND CREDITORS.

THE BANKRUPT BILL—ARGUMENTS IN FAVOR OF ITS PASSAGE—A PLAIN, COMPREHENSIVE, CONSTITUTIONAL MEASURE—ITS PROVISIONS QUITE GENERALLY UNDERSTOOD AND APPROVED.

Senator Allison has prepared a statement in which he gives his views at considerable length in favor of the passage of the bankrupt bill now pending before the Senate. He believes the greatest misapprehension prevails in regard to the effect which the enactment of a purely voluntary law would have upon the interests of debtors. Speaking of the relation of debtors to a purely voluntary law, the Senator says:

"I want to do everything in my power consistent with justice for honest debtors, irrespective of whether they are wholly without property, or such as have property, and shall be particularly careful not to vote for a law which would make their positions any more difficult than they now are.

AN ILLUSTRATION.

"I will, for the purpose of illustration, suppose a case in which a debtor has nothing but debts, and that he is an honest man who has a commendable ambition to do something for himself and possibly for his dependants in a financial way. If we should pass a purely voluntary law, he might secure a discharge under it, but the securing of a discharge would be of but small avail to him, at least in a great majority of cases, unless upon securing it he was able to obtain credit—that is, to either borrow or purchase goods on time. I imagine that the man of money or of goods would be very slow to give credit to such a discharged bankrupt at the time such a purely voluntary law was in force, because he might upon obtaining the money or goods lay his plans to make away with his visible property and then secure a second discharge.

"The other case is that of a man having both debts and property, and desiring to

have his credit strengthened so as to continue in business or in the promotion of an enterprise. The passage of a purely voluntary law which would be wholly in the interests of the debtor, and in which no rights of the creditor would be respected, would, I am convinced, compel existing creditors for their own protection to collect the amounts due them. A general disposition to collect amounts due and not to extend credits would drive a very large number of solvent men into liquidation, and would I fear, prove very disastrous to the best interests of the country."

DEBTOR AND CREDITOR.

"There is really very little in the expression 'debtor' or 'creditor,' because nearly all of the debtors are creditors and nearly all of the creditors are debtors. The largest creditor class of which I have any knowledge is composed of the laborers of the country, whose wages are due them for more or less protracted periods the year round. The largest debtor class in the country is composed of the railroads and the next largest class is composed of the banks.

There is no right of an honest debtor which it is proposed to guard by a voluntary law which is not, in my judgment, more effectively secured to him by a law containing both voluntary and involuntary bankruptcy. How strange then, it appears for gentlemen to talk of passing any legislation which will be selfish and exclusive in its character and in the interests of any one class.

When you think of it it becomes perfectly apparent that for every debtor there is a creditor, and vice versa, and as a result the sum total owed by all of the debtors is exactly equaled by the amounts due to the creditors of the whole world.

RIGHTS OF CREDITORS.

"As to the creditors, they are entitled to have their rights maintained. The passage of a good law will prevent much of the selfish strife which is now resorted to. Such strife often results in financially destroying really honest solvent debtors who become embarrassed, and it always results in the expenditure of a large amount of money in the payment of useless costs.

"Creditors desire to loan their money and sell their goods, and will do so much more readily and on a smaller rate of interest and margin of profit under a good law than under a bad one.

"It is therefore perfectly apparent that it is much more necessary to the debtor to have a fair law than it is to the creditor, but that the creditor is equally interested therein and that both of their interests will be promoted by a good and retarded by a bad law.

THE TORREY BILL.

"The House has passed, after a long and able debate, the Torrey bill, and for my part I do not see why we should not enact that bill, with some slight modifications which may be suggested by our consideration of the subject. It does not embody any new experiment upon the question, but is a comprehensive, plain measure, the constitutionality of which has never been called in question, so far as I know. It has been considered in and out of Congress for many years, and so far as I have observed its provisions are quite generally understood and approved."—J. M. C., Philadelphia Ledger, February 13, 1897.

PASS THE BANKRUPTCY BILL.

The futile Nicargua bill being out of the way—think of the precious time that has been wasted over that impossible measure at the very heels of the session—the bankruptcy bill is to be taken up by the Senate and disposed of. As the Times-Herald has already said, the bill has passed the House, has the almost unanimous approval of the great business organizations of the country, and there is no reason why it should not become a law without delay. There is nothing in it that has not been discussed over and over again, and there is not a Senator who is unfamiliar with every argument for and against it. All that is needed is a fair and square vote, and the whole business ought to be dispatched in two days.

Never before has there been a more urgent demand, as well as necessity, for such a law. Thousands and thousands of good and honest business men in every section of the country are to-day crushed beneath a burden of indebtedness they can never hope to pay, and which simply acts as a chain to restrain their freedom of action. Many of them are in the prime of life, and could recuperate and become valued workers in the industrial hive if they could only have a chance. They are willing to surrender their property and commence the world again empty-handed. Nothing but a uniform national bankrupt law can give them this opportunity.

Why should it have to be reiterated a thousand times that no great commercial nation can prosper without a bankrupt law? Great Britain stands in the forefront of industrial and commercial nations, and one of its means of advancement has been a bankrupt law.

Such a law gives honest debtors an opportunity to recover themselves, while it punishes dishonest debtors. It affords all creditor equal rights in the assets of a debtor, and prevents that unseemly scramble for an insolvent's property that too often ends in sacrifice and loss.

Gentlemen Senators, spare your long arguments and proceed to business on a

business measure. The country demands the passage of the House bill as it now stands.—Chicago Times-Herald.

AN URGENT DEMAND FOR IT.

Hon. Jay L. Torrey, of Fremont County, is still at work to secure the passage of his famous bankruptcy bill. The measure has twice been passed by the lower branch of Congress, and a day has been set for its consideration in the Senate.

Judge Torrey has been at work on the bill for a number of years and its chances of becoming a law seem more favorable now than ever before.

The bill of Mr. Bailey, of Texas, as modified, has been recommended as a substitute by a majority of the Senate committee, although it has no such indorsements or support of commercial bodies as that commanded by the original bill, which was a complete and equitable scheme for voluntary and involuntary bankruptcy. The substitute favored by the majority report provides only for the former.

The difference as defined by the Torrey measure between a voluntary and an involuntary law, so far as the bankrupt is concerned, is simply determined by whether he files his own petition or whether it is filed by his creditors; after the petition is filed the rights and responsibilities of both classes of bankrupts are identical.

When an adjudication is made, all preferences which have been given by the bankrupt within four months and all attachments which have been filed against him within that time are by virtue of the adjudication annulled.

Under the involuntary system the creditors may commence proceedings under careful restrictions and thus prevent many fraudulent dispositions of their debtor's property.

If there was only a voluntary system the would-be bankrupt would deliberately prepare for bankruptcy and his creditors would be helpless.

There appears to be an urgent demand for bankruptcy legislation, and it is to be hoped the Torrey bill as originally proposed will be passed.—Crook County (Wyoming) Monitor.

A VOLUNTARY BILL WILL DO MORE HARM THAN GOOD.

The House passed the Torrey bankruptcy bill at the last session, and it is now before the Senate. That body, instead of wasting its time discussing measures which can not pass, ought to take up this bankruptcy bill and put it through. There is a general demand for the enactment of such a measure.

The numerous failures of the last four years have forced on the attention of all

business men the need of a national uniform law. The States have their insolvency laws, but they differ so widely as to create intolerable confusion.

The bill now before the Senate has been discussed and criticised during the last six years and has been so modified that it is thought to be free from faults, including that of expensiveness. It provides for both voluntary and involuntary bankruptcy, but it is believed that no injustice can be done anyone by the involuntary features.

There is also a bill before the Senate providing for voluntary bankruptcy only, but the House will not adopt it, and, if it would, that half-way measure is not what is needed. It would do more harm than good.—Chicago Tribune.

NOW SOME CHANCE FOR IT—CONSIDERATION OF THE BANKRUPTCY BILL IN THE SENATE.

BUSINESS MEN FAVOR ITS ENACTMENT—PROVISIONS OF THE MEASURE EXPLAINED BY ONE OF ITS ADVOCATES—MAY BE MODIFIED IN SOME WAYS—THE SERIOUS DIFFICULTIES OF THE OLD LAW OVERCOME.

WASHINGTON, *February 10.*

With the arbitration treaty and Nicaragua Canal bill out of the way there will be a fair chance for the consideration of the bankruptcy bill, which was taken up in the Senate today, and the passage of which is earnestly desired by the business men of all sections of the country. The friends of the measure are hopeful of securing the enactment of the bill if a vote can be secured in the Senate.

What is known as the Torrey bill was passed by the House sometime ago, and is now before the Senate with a favorable report from the Judiciary Committee of that body. Several amendments have been recommended, but these do not materially affect the bill in any essential feature.

Senator Clark, of Wyoming, a member of the Judiciary Committee, and who is an earnest advocate of the bill, prepared for the Public Ledger the following explanation of the bill as amended.

This explanation will prove interesting to those who are watching and praying for the relief which the passage of the measure will bring to the business communities of the country.

SENATOR CLARK'S EXPLANATION.

"I am one of the members of the Committee on the Judiciary of the Senate who reported favorably the Torrey bankruptcy bill as it was passed by the House with a few amendments calculated to strengthen it. Its general scope is quite different, I am glad to say, from the laws which have heretofore been in force in

this country, and the details of the subject are worked out in a manner which, I think, will protect it from just criticism which has been made against prior laws.

"One of the inherent difficulties in securing and maintaining a national law upon this subject is the fact that the places of meeting of the United States courts are few in number as compared with the State courts, thus making the administration of the law both inconvenient and expensive. This difficulty has been very largely overcome in this measure. In contested cases the trial, of course, will be had in the United States courts. This is necessary, as it would be unsafe to undertake to provide for a jury trial, if desired, before a subordinate judicial officer. After the adjudication shall have been made, the administration proceedings may be had before an officer created by the bill known as referee. These officers may be appointed in such numbers as may be necessary to assist in expediting the bankruptcy business. As they are paid wholly out of the estates, there will not be any charge upon the Government, and as they are wholly local the expenses to the estates will be comparatively inconsiderable. I take it for granted that in the beginning, and until the bankruptcy business which has been accumulating for the past eighteen years has been disposed of, there will be a large number of referees. After that the number will be gradually reduced.

"The question of granting the discharge will also of necessity be determined in the bankruptcy court, as it would not be wise to intrust so important a matter to any other than the court.

A GREAT HARDSHIP WOULD BE REMOVED.

"One of the greatest hardships under former laws has been entirely removed under this bill; that is, under former laws bankruptcy courts were given jurisdiction of all suits, and, as a result, many persons who, it was claimed, were indebted to the estates of bankrupts were compelled to attend upon United States courts to make their defenses. The possible hardships growing out of these provisions have been entirely overcome by this bill by the simple process of requiring that litigation between a trustee and others shall be conducted in the courts which would have had jurisdiction between the bankrupt and the other parties if bankruptcy proceedings had not intervened. This is, to my mind, an eminently just and wise provision, and overcomes one of the most serious difficulties which was experienced under the old law.

MERITS OF INVOLUNTARY BANKRUPTCY.

"Those persons who advocate the passage of a purely voluntary bankruptcy

law profess to be acting therein for the benefit of debtors. I take issue with them on this proposition, and insist that the passage of a purely voluntary law would do infinitely more harm to debtors than to creditors. Suppose all of the laws for the collection of debts were to be repealed, would debtors or creditors be most injured thereby? I think the greatest injury would be to debtors, because under such conditions they would not be able to obtain credit. So far as the creditors are concerned, they could keep their money or goods, but the debtor would simply be helpless. In the same way the passage of a law under which a debtor could get a discharge, and which would in no sense protect the rights of the creditors, would result in destroying the credit of debtors, and thereby do them great injury. I can see, of course, that such a law would be a good thing for dishonest debtors who want to swindle their creditors, but it could not in any sense benefit honest debtors to the extent that a complete law would benefit them. It therefore follows that those of us who wish to pass a perfectly fair, comprehensive law are the friends of honest debtors and honest creditors, while, in my judgment, those who wish to pass a voluntary law only, though entirely sincere in this contention, are not, in fact, either the friends of honest debtors or honest creditors.

"The Torrey bill has been drafted upon lines which are perfectly well understood by the lawyers and the people as sufficiently broad to comprehend the rights of all classes who will be affected by it. Administrations under it will be prompt and economical, and hence I anticipate that it will be passed by the Senate after it shall have been considered, and perhaps modified in some minor respects."—J. M. C., Public Ledger, Philadelphia.

THE ESSENCE OF ALL LAWS.

We have carefully looked over a copy of the bankruptcy bill before the United States Senate, and as far as we are able to judge, it is the very essence of all laws on that subject. Judge Jay L. Torrey, its author, has spent years of study on this bill, which is pronounced by all our best statesmen to be a masterpiece. It is indorsed by the majority of our best business men and clubs from all over the United States.

There is no question but that a national bankrupt law, as provided for in our Constitution, is greatly needed, and the present bill is preeminently above all others. If enacted, it will enable men who are unable to keep above water to have their debts settled on an equitable basis with their creditors, and start life anew without a judgment hanging over them. And if there is a person or

corporation that will not pay, the court can have his property equally distributed among his creditors, thereby making an almost perfect safeguard for all men, whether their business be large or small, and putting the business of the United States on a solid and substantial foundation.—Otto (Wyo.) Courier.

NEED OF A BANKRUPT LAW.

Suppose a man fails in business, shall he forever be debarred from making a fresh start? Is it right to keep him under the ban, and whenever he makes a little headway take from him whatever he has obtained, and reduce him to poverty again?

The United States has numerous insolvent debtors. Their property has been taken to satisfy their debts, and they are weighed down with the judgments and obligations in excess of their assets. It is impossible for them to go into any kind of business and begin a new career of active usefulness.

State laws can not relieve them from their obligations to creditors in other States. They are hedged about, walled in, and utterly helpless. Many of these men are possessed of excellent business talents, and were they relieved of the burden of old debts they could make a fresh start, and become again active and useful in the business world.

The conditions existing for some years past have been such that many men went down, not as the result of unwise acts of their own, but because of circumstances over which they had no control.

The collapse of real-estate speculation in Western towns and cities left a multitude of men hopelessly bankrupt. The panic of 1893 and the years of depressed business which have followed have wrecked thousands of firms and individual business men.

There is

NO HELP FOR THESE MEN

save in the passage of a bankrupt law by Congress. The need of such a statute was never so great as now. The thousands who have gone down, manfully and honestly struggling to the last to save themselves and their credit, can never be anything or accomplish anything unless such a law comes to their relief. Their old creditors will never get anything as the case stands. Why not, then, through a bankrupt act, allow them to wipe out the old scores and begin life anew?

The present House of Representatives in May last passed the Torrey bankrupt bill, providing for both voluntary and involuntary bankruptcy.

In the Senate the majority of the committee recommended the George bill as a substitute, while the minority reported in favor of the original measure. If a

proper effort were made, a bankruptcy law could be passed before adjournment of the present Congress. It is to be hoped the effort will be made, and that it will be successful.

The St. Paul Pioneer Press, in an article on the subject, has this excellent comment on the need of such a law:

"While it is for the benefit of the hopelessly involved and embarrassed but honest debtors that relief is sought in a national bankruptcy law, they do not ask a law which shall not carefully protect the just and reasonable rights and interests of creditors.

"What is wanted and what the bills before the Senate provide for is a law which will enable the victims of misfortune to give up all they possess—except such reasonable exemptions as State laws provide for—and having thus done the best they can in settlement of claims they can not pay, to be delivered from the pursuing shadow of remorseless creditors and hounding sheriffs, and to be able to start anew in business with a clean sheet.

"Thus relieved from the burdens which crush him, the honest debtor, if he should again be successful in business, would deem it a point of honor to pay, if he could, the debts from which he had been legally discharged. No man can ever acquire the credit or capital for a new business career who does not deal honestly with his creditors, and the benefits of voluntary bankruptcy are intended for, as they can only be realized by this class alone.

"The prosperity which with the passage of a wise tariff bill is awaited with sanguine confidence will come in vain to multitudes of the victims of the past four or five years of unexampled depression, if it shall not come with the boon of emancipation from the consequences of misfortunes which is promised in a uniform national bankruptcy law."—Toledo Daily Blade.

BANKRUPT LAW NEEDED.

The necessity for a uniform system of bankruptcy has been felt by the business people of this country for many years. To accomplish this Congress has been asked to enact a law on the subject and the matter has been pending before Congress for a long time without any definite action being taken. The matter is before this session of Congress but is not likely to be disposed of finally, although it should be and is being strongly urged.

There are several bills on bankruptcy before Congress, all seeking the same end but by more or less varying methods. The Torrey bankrupt bill as it is known appears to meet with the most general favor.

It will be noted that the bill has been thoroughly agitated, and presumably as

thoroughly discussed by Members of Congress. In fact, it has been considered and indorsed by business and commercial organizations all over the country, the indorsements numbering thousands. It ought to become a law, and before the adjournment of the present Congress.

The Torrey bill provides for an honest failure and settlement. For instance, if a man is unfortunate in his business he can go into court and make a statement of his assets and liabilities and if the court is satisfied that the statement is an honest one, and the property of the debtor is surrendered, will give him a final clearance of his obligations and he can go into business again with a fresh start and not be harassed by creditors to whom he has surrendered all the property he possessed prior to going into bankruptcy.

Again, it is provided that when a man fails to meet his obligations, after a certain time the creditors, if they can show fraud on his part—that is, that he has endeavored to hide his resources to pay his obligations—they can force him into bankruptcy. That is, the court will cause his property to be scheduled, appraised, and sold, and the proceeds are equitably divided among his creditors. It is only the dishonest man, proven dishonest in open court, who has anything to fear in this case.

For the man able and willing to pay his debts the bankruptcy law has no terrors. It enables him to pay as far as he is able and then, without assuming to do business in his wife's name, or as agent, he can begin over again in whatever business he has a mind to. For the man who will not pay his debts the law provides a way by which he can be forced to settle, at least to the extent of whatever property he owns.

At present a man who fails in business and is unable to settle the claims against him is ever thereafter "under the harrow," having judgments hanging over him. Thus it is extremely difficult to get another start. This does not seem fair for the honest but unfortunate man.

All other civilized countries in the world have bankruptcy laws. The United States stands alone, without a general law of bankruptcy. The passage of such a law is advocated for good reasons, many more than the few above cited. There should be no further delay in passing the Torrey bill.—Daily Republican (Doylestown, Pa.).

BANKRUPTCY LEGISLATION.

Bankruptcy legislation is a topic upon which we have written much during the past ten years. We have constantly advocated the enactment of a just and uniform national bankrupt law which would be just to the honest creditor and equally just and merciful to the honest, though unfortunate, debtor.

Congress in its wisdom has seen fit to delay granting to the commercial interests of this country this much-needed piece of legislation, and the result has been that a premium has been set upon dishonesty and fraud in permitting its honest debtors to so manipulate their assets as to make the payments of debts entirely dependent upon the honesty and good will of the debtor, rather than upon the protection which the laws of a commercial nation should give to commercial transactions.

There is only one bankruptcy measure which has been brought to the attention of Congress deserving of any serious consideration, and that is the Torrey bill, formulated by the Hon. Jay L. Torrey, who has devoted many years to the study of the wants and necessities of our commercial interests in this particular, and the Torrey bill is certainly, without exception, the most perfect measure yet devised.

We hope that Congress will see fit to pass the bill before its adjournment.—Trade-Mark Record, New York.

STOP DISCRIMINATIONS AND PREFERENCES.

Pass the Torrey bankrupt bill, and stop discrimination and unjust preferences and let all creditors share equally in the assets of failing business enterprises. Pass it, and allow the man who has honestly given up everything he possessed to be relieved, and thereby enable him to start again in life without an overwhelming and unsupportable burden of debt. Credit will be improved and our merchants and manufacturers will feel more secure and safe in the extension of credit, because they will feel that preferences can be prevented, and that the assets of the concern can not be seized upon by some creditor who has been warned, thereby preventing others equally entitled to consideration from collecting any part of their claims.—St. Louis Interstate Grocer.

BANKRUPTCY BILL MAY PASS.

MORE HOPEFUL OUTLOOK FOR THE MEASURE—IT IS EXPECTED THAT SENATOR SHERMAN WILL TO-DAY ANNOUNCE HIS DECISION NOT TO PRESS THE ARBITRATION TREATY FURTHER AT THIS SESSION, AND IF THIS IS DONE IT WILL CLEAR THE WAY FOR THE BANKRUPTCY BILL, WHICH IS NOW THE UNFINISHED BUSINESS.

WASHINGTON, *February 12.*

Matters looked a little more hopeful for consideration of the bankruptcy bill when the Senate closed its executive session on the treaty to-day. There was a savage attack upon the treaty in the session to-day, and it was urged by several Senators that in view of the lateness of the session

and the apparent determined opposition to the measure it should not be pressed further at this session. It was pointed out to Senator Sherman that a number of important measures were being held back by the long sessions each day on the measure, and it is expected that immediately after the close of the session tomorrow Mr. Sherman will announce his decision not to press the treaty further during this Congress. This will clear the way for the bankruptcy bill, and as that measure has the right of way with the treaty set aside, there should be no difficulty in bringing the bankruptcy question to the front during the intervals between the consideration of appropriation bills.

In an interview to-day Senator Allison, of Iowa, took strong grounds in favor of the passage of a bankruptcy bill. The significance of Mr. Allison's utterances on the subject rest in the fact that he is chairman of the Committee on Appropriations and the leader of the order of business in the Senate. As he is so strongly in favor of legislation on the subject and wants a good bill, rather than a hastily drawn and crude measure, there should be no difficulty in securing some time in the press of other matters to get the bill through. Among other things, Mr. Allison said:

"I think the spectacle which we present among the nations of the world in not having a good bankruptcy law at all times upon our statute books is rather to be deplored. The framers of the Constitution foresaw the necessity for such a measure, and provided for one as a constitutional right of the people. I attribute the fact that we have not had such a law at all times more to the fact that our legislators have been unfortunate in framing such a measure than to any other cause. Prior laws do not seem to have been limited to the scope which such a law may properly occupy, and hence they were after more or less protracted terms repealed."

PURELY VOLUNTARY BILL OPPOSED.

Senator Allison said there is not before the Senate a purely involuntary bankruptcy bill, the measures generally providing for voluntary and involuntary bankruptcy, and he spoke against a purely voluntary bill, saying: "The passage of a purely voluntary law, which would be wholly in the interests of the debtor and in which no rights of the creditor would be respected, would, I am convinced, compel existing creditors for their own protection to collect the amounts due them. A general disposition to collect the amount due and not extend credit would drive a very large number of solvent men into liquidation, and would, I fear, prove very disastrous to the best interests of the country." In

response to the demands made by some of the Senators for a purely voluntary bill, Senator Allison said:

"There is no right of an honest debtor which it is proposed to guard by a voluntary law which is not, in my judgment, more effectively secured to him by a law containing both voluntary and involuntary bankruptcy. How strange, then, it appears for gentlemen to talk of passing any legislation which will be selfish and exclusive in its character and in the interests of any one class. When you think of it, it becomes perfectly apparent that for every debtor there is a creditor, and vice versa, and as a result the sum total owed by all of the debtors is exactly equaled by the amounts due to the creditors of the whole world." Senator Allison favors the Torrey bill with some modifications.—St. Paul Pioneer Press.

NEED OF BANKRUPTCY LEGISLATION.

The need of an equitable bankruptcy law has been very generally recognized throughout the business interests of the country, and few measures before Congress have been the subject of more hearty support than the Torrey bankruptcy bill. This has been so widely considered by commercial organizations and by business interests, and has been so thoroughly subjected to the critical analysis of Congressmen, in and out of committee work, that its imperfections in the earlier forms submitted have been overcome—for the promoters of the measure appear to have been very earnest in a desire to receive any and every suggestion that could add needful characteristics, or remove objectionable or doubtful features in the bill.

It must be obvious to business men generally that it would be helpful to the unfortunate who are deserving, and at the same time prove advantageous to the creditor class. The requirements would not be fully met unless the measure provided for both voluntary and involuntary action.

The Torrey bill has been repeatedly considered by the National Board of Trade and approved. It is now before Congress, and it is to be hoped that it will be favorably acted upon, in order that the country may have its beneficent influence at an early day.—The Cincinnati Price Current.

A JUST BANKRUPTCY LAW.

There seems to be no good reason why there should not be a prompt concurrence of the Senate on the Torrey bankrupt bill, which has already passed the House.

The sentiment in favor of a just bankrupt law has been growing and intensifying. Nearly all the commercial associations, boards of trade, and legislatures in the country have resolved and memorial-

ized in favor of it. There is really very little popular opposition. No party question or interest is involved. It would seem, therefore, that the Senate should contrive to take up this bill promptly and pass it.

No bill ever presented to Congress has received more careful and deliberate consideration by all interests to be affected than the Torrey bill.

IT EMBODIES ALL THE GOOD POINTS

and none of the bad ones contained in the old law. To these have been added the valuable and practical points made by the numerous commercial associations, and by other eminent business and professional men throughout the country. All these have been combined and simplified by Judge Torrey into the bill which bears his name.

It covers the whole subject of bankruptcy from alpha to omega, is as simple as a primer, and provides a most just and efficient means for dealing with bankrupts and their estates promptly and economically.

It is not too much to say that the time required for closing an estate under this bill would be reduced one-half, and the expenses more than three-fourths, as compared with the old law.

The general relief which the passage of this bill would afford to many thousand good citizens in every State who are struggling under a load of debt, occurring through misfortunes, to which we are all liable, is in itself sufficient to justify its passage.

But the general interest of trade and commerce still more urgently demand it. It can not be doubted that a large percentage of business failures occur from the mutual distrust and fear existing between debtor and creditor.

Under the operation of State laws

EACH CREDITOR FEARS

that some other will get ahead of him, and therefore, at the least sign of disaster, a general scramble is made for priority. The assets of the debtor are sacrificed and their proceeds consumed by litigation. It has indeed been asserted by men of experience in such matters that the fees of lawyers and the expense of courts in such scrambles over assets are, in general, greater than the entire proceeds realized.

Who are opposing the passage of the Torrey bankrupt bill? is a pertinent question at this time. According to our observations and readings, their numbers are few, while their motives for opposition are varied.

The most powerful and influential, individually, are those large wholesalers whose patrons are largely made up of two classes of retail dealers, viz, those whose

credit is undoubted, and those—and this is usually the largest class, numerically—whose business life depends upon the wholesaler who is “carrying them,” and whom they have secured against loss in case of their ultimate nonsuccess. Whenever a failure of one of this class occurs, the above-mentioned secured wholesaler takes

THE ASSETS INTO CAMP,

while the other creditors are left to wrestle with the liabilities—in other words, “to hold the bag.” It is easy to understand why this class of “opposers” do not favor the enactment of a universal bankrupt law that shall secure an equitable division of the bankrupt’s assets among all the creditors. It is a source of great satisfaction to all lovers of “fair play” to know that this class of “opposer” is, numerically, but an almost infinitesimal part of the great army of wholesalers.

Another class of men who do not favor this law is composed of those retailers who had rather make their

MONEY BY DEVIOUS WAYS

than to struggle perseveringly up the rugged path that leads to commercial success. They prefer to divide their assets, visible and otherwise, with one creditor rather than to have an officer of a broad-gauge and just law divide them among all those to whom they are indebted. This fully accounts for their opposition to the passage of the Torrey bill. Their numbers are, like the first class referred to, very small in comparison with the great body of honorable dealers throughout the vast domain of Uncle Sam.

The next class to which we refer is, numerically, the smallest of them all. It is composed of a few individuals, among

whom, we regret to say, are a few journalists, so called or self-styled, who have been indulging in the mistaken idea that their few patrons do not favor this bill, and so indulge their sycophant natures by truckling to the supposed opinions of those from whom they hope to get a few paltry dollars. This class is so small and insignificant that further notice is uncalled for.

The fourth and last class to which we desire to call attention is undoubtedly possessed of the greatest numerical strength. It is composed of those men who,

THROUGH A WANT OF KNOWLEDGE

of the bill, its aims, and the beneficent results that will flow from its enactment into a law, honestly oppose it.

Unlike the other above-described classes, selfishness does not enter into their opposition, and their feelings and motives, albeit mistaken ones, are entitled to our respect. A great majority of these people undoubtedly belong to that class who look askance at every new thing, and think every innovation a detriment to society and a damage to the world. While we may respect the motives and honesty of these people, their opinions are not entitled to an iota of consideration from the progressive spirits who are leading the world up to a higher plane of civilization. While they have always been a clog to the wheels of progress, they have never been able to stop their constant and steady revolution. Had such opinions been allowed to rule the world, commerce would not now be sufficiently advanced to require a bankrupt or any other kind of a law.

Beyond question the great bulk of the members of the commercial world of this country are hoping for the passage of this bill during the present session.—The Gleaner, Northwood, N. Dak.

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NICARAGUAN CANAL OR THE MARITIME CANAL
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MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING,

IN RESPONSE TO SENATE RESOLUTION OF JANUARY 23, 1897,
A REPORT FROM THE SECRETARY OF STATE, ACCOMPANIED
BY COPIES OF THE CORRESPONDENCE RELATING TO THE
NICARAGUAN CANAL OR THE MARITIME CANAL COMPANY OF
NICARAGUA SINCE 1887.

MARCH 3, 1897.—Referred to the Select Committee on the Construction of the
Nicaragua Canal and ordered to be printed.

To the Senate:

I transmit herewith, in reply to the resolution of the Senate of January 23, 1897, a report from the Secretary of State, accompanied by copies of the correspondence therein requested relating to the Nicaraguan Canal or the Maritime Canal Company of Nicaragua since 1887.

GROVER CLEVELAND.

EXECUTIVE MANSION,
Washington, March 3, 1897.

The PRESIDENT:

The Secretary of State, to whom was referred the resolution of the Senate of January 23, 1897, requesting the President, "if it is not, in his opinion, inconsistent with the public interests, to send to the Senate copies of all correspondence and official communications relating to the Nicaragua Canal or the Maritime Canal Company of Nicaragua since 1887, with the Government of Nicaragua, or any minister thereof, or between the Government of the United States and its ministers accredited to the Government of Nicaragua," has the honor to transmit herewith copies of the correspondence requested.

Respectfully submitted.

RICHARD OLNEY.

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No. 851.]

LEGATION OF THE UNITED STATES
 IN CENTRAL AMERICA,
Guatemala, August 27, 1888. (Received Sept. 14.)

SIR: I have the honor to inclose herewith a copy and translation of a contract between the Government of Costa Rica and Mr. A. G. Menocal, as the representative of the "Nicaragua Canal Association," of New York. It was signed at the capital of Costa Rica on the 31st ultimo, and was ratified by the Costa Rican Congress on the 9th instant.

This contract recognizes the rights of Costa Rica to an interest in the canal—rights which in all previous contracts and concessions of the same nature have been ignored, or rather have not been considered. The result is in accordance with the President's award* in the matter of the arbitration in relation to the validity of the treaty of 1858 between the two Republics referred to.

This contract follows quite closely in text that of Nicaragua with the same association. The principal points of difference are the following:

Costa Rica concedes to the company the right to construct a ship canal between the Atlantic and Pacific oceans (article 1) through the whole or a part of its territory, or along the whole or a part of its frontier line with Nicaragua.

The right is also conceded to construct a railway and telegraph lines along the route of the canal, wholly or in part, through Costa Rican territory, and the Government binds itself not to grant the same privileges for any parallel lines within the distance of 25 miles.

Should the canal leave the San Juan River at the section where Costa Rica has the right of navigation (article 11) the association shall construct locks of sufficient capacity to admit the passage of vessels of 6 feet draft.

In article 20 there is an intimation that the Bay of Salinas, which, according to the treaty of 1858 between Nicaragua and Costa Rica, is owned jointly by the two, may be adopted as the Pacific terminus of the canal.

* Printed in Foreign Relations, 1888, p. 456.

Both Nicaragua and Costa Rica make large grants of public lands to the canal authorities, Costa Rica's grant, however, being limited to a one-fourth part of that of Nicaragua.

The association pays to Costa Rica and Nicaragua each what may be considered a bonus of \$100,000. Nicaragua has already received that sum in gold coin of the United States or the equivalent. Costa Rica will receive the same amount in canal stock or other obligations of the company when issued.

Costa Rica will receive in paid-up stock or other securities (article 45, Costa Rican contract) an amount equal to $1\frac{1}{2}$ per cent of all of the securities issued by the association, but such an amount in no case shall be less than \$1,500,000. Two-thirds in amount of these securities shall be nontransferable.

Nicaragua receives to the amount of four million in stock and other securities, of which two-thirds shall also be nontransferable.

The present contract, which recognizes the right of Costa Rica to a joint dominion over the canal and participation in its earnings, can hardly fail to be unsatisfactory to the party in Nicaragua which has hitherto opposed any reasonable settlement of their boundary dispute. I have no doubt, however, but that the Nicaraguan Government will accept it in good faith and without dissent; indeed, it is bound to accept it by the terms of the President's awards of the 22d March last past.

I have, etc.,

HENRY C. HALL.

[Inclosure in No. 851—Revised translation.]

Contract relating to the Nicaragua Canal between the Government of Costa Rica and Mr. A. G. Menocal in representation of the Nicaragua Canal Association of New York.

This contract was approved by the President of Costa Rica on the 31st of July and ratified by the Costa Rican Congress on the 9th of August, 1888.

The undersigned, Pedro Perez Zeledon, secretary of state in the department of public works, specially authorized by the President of the Republic to make, ad referendum, the present contract, of the one part, and Aniceto G. Menocal, representative of the Nicaragua Canal Association, with sufficient power therefor and also authorized for that purpose by the executive committee of the same, of the other part, have revised the canal contract made in Washington the 17th day of May ultimo by the first above named in his capacity of envoy extraordinary and minister plenipotentiary from Costa Rica, near the Government of the United States of America, and Mr. Hiram Hitchcock, president of the said association, which contract, with the modifications now agreed to by the undersigned, is as follows:

ARTICLE 1. The Republic of Costa Rica grants to the Nicaragua Canal Association, their successors and assigns, the exclusive privilege to excavate and to operate a maritime canal between the Atlantic and Pacific oceans, wholly or in part in the territory of said Republic, or running along the whole or a part of the frontier line of the Republic of Nicaragua.

This contract shall have full effect between the contracting parties by the fact alone that Costa Rican waters (or at least those over which Costa Rica has joint dominion or the right of use and navigation) may be utilized or occupied by the association for the work of the canal referred to or for any of its ports on either ocean.

Whenever the word "association" is used in the present document it is to be understood to mean the "Nicaragua Canal Association," its successors and assigns.

ARTICLE 2. The canal shall be of sufficient dimensions for the free and commodious transit of vessels of the size of the large steamers in use in navigation between Europe and America.

ARTICLE 3. The State of Costa Rica declares this work one of public utility.

ARTICLE 4. The duration of the present concession shall be ninety-nine years, counting from the day upon which the canal shall be opened to universal traffic.

During the same period the association shall have the right to construct and to operate with, in the territory of Costa Rica, a railway along the canal, in its full length or such parts of it as may be deemed requisite for the better service and operation of the work.

The Republic binds itself not to grant any subsequent concession to open a canal between the two oceans during the term of this concession.

During the same period it will not grant concessions for railways from sea to sea, within a zone of 25 miles along the line of the canal, which might enter into competition with the canal in the traffic between foreign nations. This restriction shall not prevent the construction of new railway lines which Costa Rica may find it convenient to build up to the canal or to any other point of the northern frontier of the Republic, either to connect or not with other railways.

ARTICLE 5. The association shall have the right to construct such telegraph lines as may be deemed necessary for the construction, management, and operation of the canal.

The Government may use the telegraph lines of the association from and to each one of the stations on the line from sea to sea without any remuneration therefor to the association.

ARTICLE 6. The Government of the Republic declares and accepts as such, during the term of this concession, the ports at each terminus of the canal and the canal itself from sea to sea to be neutral; and that consequently, in case of war between other nations or between one or more of the latter and Costa Rica, the transit through the canal shall not for such cause be interrupted, and that merchant vessels and persons of all the nationalities of the world may freely enter said ports and pass through the canal without molestation or detention.

In general, all vessels may pass freely through the canal without distinction, exclusion, or preference as to persons or nationalities upon the payment of the dues and the observance of the regulations established by the association for the use of said canal and its dependencies. In regard to the transit of foreign troops and vessels of war, the conditions established or which may hereafter be established by treaties between Costa Rica and other nations, or by international law, shall be respected, but the entrance of the canal shall be rigorously prohibited to vessels of war of any nation which may be at war with Costa Rica or with any other of the Republics of Central America.

Costa Rica will endeavor to obtain from the nations which guarantee the neutrality of the canal that in the treaties entered into for that purpose they will bind themselves to guarantee the same neutral character to a free zone parallel to the canal and a maritime zone on both oceans, the extent of which shall be fixed in the respective conventions.

ARTICLE 7. The present concession shall be transferable only to the company or companies organized with the object of constructing and operating the canal, and in no case to any foreign Government or public power. Nor shall the association have the right to transfer to any foreign Government or public power any part of the lands granted to it by this contract. But it shall have the right to make such transfers to private parties under the same restrictions.

The Republic of Costa Rica shall not cede its rights and privileges respecting the canal to any foreign Government or public power.

All nations shall be invited to take part in forming the capital required for this enterprise, and with that object the publication of a notice for twenty consecutive days in one of the principal daily newspapers of each of the cities of New York, London, and Paris shall be sufficient.

ARTICLE 8. The capital stock of the company definitively organized for the operation of the canal shall consist of shares of the nominal value of \$100 each, which shall be issued in such amounts as may be deemed requisite. The emission and transfer of these shares and of all the bonds and obligations which the company may issue shall be exempt from stamp and any other import established, or that may be established, in the Republic.

From the capital stock with which the company shall be organized, at least 5 per cent shall be reserved for the Government and citizens of Central America who may wish to subscribe.

As soon as the said company is ready to open subscription books, notice shall be given by it to the Governments of Costa Rica and Nicaragua, which shall invite the other Governments of Central America and through them private parties to subscribe.

The shares which within six months from the date upon which notice has been given to the Government of the opening of the subscription books shall not have been paid for shall remain at the free disposal of the company.

ARTICLE 9. The company shall be organized in the form and with the conditions usually adopted for associations of this class. Its principal office shall be established in New York, or wherever it may be deemed most convenient. The half, at least, of the first board of directors shall be selected from among the members of the Nicaragua Canal Association of which they were the founders.

ARTICLE 10. The Government of Costa Rica in its character of stockholder in the permanent company, as hereinafter stipulated, shall have the perpetual right to name one director, who shall be one of the board of directors of the company, with all the rights, privileges, and advantages which the charter, statutes, and by-laws

and the laws of the nation under which it is organized confer upon the other directors. The Government shall also have the right in its character of stockholder to take a part in the elections of the company.

ARTICLE 11. The permanent company shall be bound to maintain a representative in Costa Rica invested with ample powers for all that may be of active or passive interest to the enterprise.

ARTICLE 12. The association shall have the most ample liberty to select and adopt the route which may be deemed the most suitable, advantageous, and economical between the two oceans for the excavation, construction, and operation of the canal and its dependencies and ports, whether such route shall pass wholly or in part through Costa Rican territory or only alongside of it.

If the canal shall deviate from the San Juan River in the section over which Costa Rica has the right of navigation, the Government of Costa Rica reserves the right to require the association to establish at places which the engineers of the association shall consider suitable a communication between the uncanalized part of the San Juan and the dividing level of the canal by means of a lock or locks sufficient for the navigation of vessels of 6 feet draft. It is understood that this obligation in no way binds the association to place or to keep in a navigable condition the lower part of the river, for the communication of which with the canal the locks are to be employed.

ARTICLE 13. All the expenses for surveys, construction, preservation, and operation of the canal shall be paid by the association, without any subvention in money or guaranty of interests on the part of the Republic.

ARTICLE 14. The association shall construct and maintain in good condition two large ports to serve as the termini of the canal on the Atlantic and on the Pacific at the places the association shall select, within or without the territory of Costa Rica. Each port shall have a light-house of the first order.

ARTICLE 15. All the area, whether within the territory of Costa Rica or in the ports, roadsteads, or rivers of the two oceans, necessary for the construction of the canal, its slopes, and declivities; for the area occupied by the waters overflowing from the dams to be built on the beds of the rivers; for the indispensable deviations of streams which may have to be made, as also for the reservoirs, dikes, spaces around the locks, stations, light-houses, warehouses, buildings, shops, and depots for materials; for the routes, railways, and canals for construction service; for the transportation of all materials to the line of work, and for feeders of the canal; in short, all the lands and places within the territory of Costa Rica necessary for the construction and operation of the canal according to the tracings and plans as laid down by the engineers of the association shall be placed by the State at the disposal of the association under the conditions established in the following articles.

ARTICLE 16. Public lands belonging to the State shall be given to the association without any indemnity; and as regards private property, the State will undertake its expropriation should the association ask it. The indemnity to which it may give rise, in conformity with the laws of Costa Rica, shall be paid by the association, together with the amount of costs and expenses, so that the national treasury shall incur no expense.

ARTICLE 17. In all expropriations made in accordance with the foregoing article, the State shall assure to the association enjoyment of the same immunity and privileges that the legislation of the country accords to it; so that the association shall not be obliged to pay more than the State would have to pay under analogous circumstances.

ARTICLE 18. The association shall have the right to take, gratuitously from the lands belonging to the State, for the construction, preservation, and operating of the canal, any material found thereon, especially woods for construction and for fuel, lime, stone, clay for bricks, and earth for the gradings that may have to be made.

In regard to the same materials, before mentioned, existing on private lands, the association shall enjoy the same rights and privileges which by law the State enjoys.

ARTICLE 19. In case the association should find it necessary to occupy temporarily or during the construction of the canal lands not comprised in those designated in articles 15, 16, and 18, it shall not be required to pay anything therefor if they are public lands, and the State shall not sell or dispose of them in any way, should the association determine to hold them, without reserving this right to the association, the limit whereof shall be the completion of the Interoceanic Canal. If the lands should belong to private individuals, the association shall enjoy as regards their temporary occupation all the rights and privileges that the laws concede to the State, and may enter into immediate possession after the declaration of utility and necessity, and of the indemnity therefor, which shall not exceed that which the State would in such case be bound to pay.

ARTICLE 20. The Republic of Costa Rica being anxious to aid the association efficiently in this enterprise, cedes to it in fee simple the public lands hereinafter mentioned in alternate lots, reserving others of equal dimensions, to wit:

First. On the right or south bank of the San Juan River to 3 miles beyond "Cas-

tillo Viejo" (English miles are understood) to the point of its confluence with the San Carlos, should the canal follow the basin of the San Juan, lots of 3 miles frontage on the canal and of 3 English miles wide by 6 miles in depth.

Second. Between the River San Carlos and the Atlantic, should the canal pass wholly or in part through Costa Rican territory, or in the line of the Costa Rica frontier, lots of 3 English miles in width fronting the canal and 4 in depth.

Third. In case the route by way of the Bay of Salinas should be adopted, lots of 2 miles in width fronting the canal and 2 in depth, in the Costa Rican territory which the canal crosses or along which it runs, from the Pacific Ocean to a point distant 2 English miles from the mouth of the Sapo River on Lake Nicaragua.

Fourth. In case the canal should deviate from the San Juan River more than 4 miles upon the territory of Costa Rica, lots of 2 miles in width by 2 in depth shall be measured on both sides of the canal. If the divergence should be less than 4 miles, the lots on the north side of the canal shall be 2 miles in width and shall extend in depth to the San Juan River.

Fifth. From Rio Frio to the Sapo, lots of 2 English miles in width by 2 in depth to the south of Lake Nicaragua, to 2 miles distance from the same lake and following the curves of its shores.

Sixth. Twenty-five lots of 2 English miles in width and 4 in depth each of the public lands which the company shall select in concurrence with the Government.

As a general rule, at the termini of the Interoceanic Canal, in case these should be within the territory of Costa Rica, the opposite lots shall be awarded, one to the Government and the other to the company; and if this should not be possible, the first in order shall belong to the Government.

The State shall place the association in possession of the lands as soon as the line of the canal shall have been definitively fixed and the work of construction shall have commenced. The rights acquired by individuals to the lands mentioned in the foregoing articles are reserved.

The measurement and demarcation of all the lands ceded by this contract shall be made with the intervention of the Government and at the expense of the grantees.

The final titles shall not be issued save according as the work upon the canal progresses and in due proportion thereto.

From the Atlantic to 3 miles from "Castillo Viejo" the parts of the rivers San Juan and Colorado which the canal may occupy shall be considered as a part of the same for the purposes of this article.

It is understood that the total of the lands ceded by Costa Rica to the association, at different points and in the form expressed in the foregoing paragraphs, shall not exceed the fourth part of the total of lands conceded to the company by the Government of Nicaragua, according to the contract made by them, and in case it should exceed the difference shall be deducted by reducing the number of lots mentioned in the fifth clause of this article.

ARTICLE 21. The State reserves the right to occupy in the several lots ceded to the association the areas it may require for roads and public buildings; it shall also have the right to make use of the woods and other building materials found on said lands whenever required for construction. When these lands, in virtue of a transfer by the company, become the property of individuals should the State require them for the purposes mentioned in this article, or for any other, it shall compensate the owners in conformity with the laws, and the owners shall have no claim against the association. In case the company should have improved the lands, either for purposes of utility, ornament, or recreation, the State shall be bound to indemnify it for the damages it has sustained upon a just appraisal of experts.

ARTICLE 22. Mines of coal, gold, silver, iron, or other metals and quarries found on the lands ceded to the association belong to it by right without previous denouncement, and may be worked at its option, in accordance with the laws of the Republic; but the lands which the association transfer to individuals shall not enjoy this exemption.

ARTICLE 23. From the moment upon which it enters into possession thereof the association shall have the right to make use of, for the works of the canal and its dependencies, the timber found in the forests, situate on the lands ceded to it by the State, without prejudice to previously acquired rights.

ARTICLE 24. From the day upon which this concession shall be ratified by Congress none of the public lands which may be necessary for the construction of the canal, nor those ceded to the association along its margin, shall be sold; neither shall any of said lands be leased to the prejudice of the company. Notwithstanding, if at the time of the ratification of the contract the line of the canal should not have been definitively determined, it will be presumed that for the purposes of the present article such line will follow the northern frontier of Costa Rica.

ARTICLE 25. The association shall have the right throughout the extent of the canal, within the territory of Costa Rica, at the mouth of the canal in the two oceans and in all the lands ceded by the present contract, as per articles 15, 16, and 20

to perform whatever works may be necessary for locating, leveling, excavating, and dredging, as also other works requisite for the establishment, feeding, operating, preservation, and maintenance of the canal.

Along the line of the canal and upon the Costa Rican margin of the River San Juan, its affluents and confluents in Costa Rica, as also the Costa Rican tributaries of Lake Nicaragua, the association is specially authorized to make use of the lakes and streams which can be utilized in their flows to the Pacific or Atlantic for the construction of dams and dikes, for rectifications, dredgings, embankments, location of buoys, and generally for all the works which the engineers of the association may find necessary for the construction, feeding, navigation, and use of the canal. The gradings, fillings, and dikes made in Costa Rican territory and at the mouths of the canal in the ports of both oceans from the materials taken from the canal excavations shall belong exclusively to the association, but the Government shall have the right upon indemnity therefor to make use of the same wholly or in part.

If any of the ports of the canal should be within Costa Rican territory the company shall not obstruct nor extend the shores thereof unless absolutely necessary; in such case, the gradings and fillings that it may be necessary to make opposite to the port shall belong to the Republic.

In general terms, the association shall have the right to use all the lakes and rivers of Costa Rica whose waters may be necessary, in the judgment of the engineers of the association, for the construction and feeding of the canal, but this right has the following limitations:

First. The navigation of the Costa Rican rivers, which the association may dam up or use in any way for the canal, shall, at the termination of their respective works, be in as good condition as before their execution.

Second. At places where the waters of said rivers overflow in consequence of the dams or other artificial obstructions made by the association the latter shall be bound to do everything practicable to prevent the formation of pools and swamps.

Third. The damages done to individuals by the deviation or elevation of streams shall be compensated by the association, according to appraisalment by experts, in conformity with the laws of the Republic, but the association shall not be bound to pay more than the State would pay under analogous circumstances.

ARTICLE 26. The association shall not import into the territory of the Republic any merchandise intended for sale except upon the payment of the legal customs duties; but it may import free of duties and any impost articles needed for the works of the canal, for surveys, examinations of localities, inspections, constructions, use, development, repairs and improvements of the canal, and for its telegraph and railway services, and for its works and workshops. Such articles may consist of tools, machinery, apparatus, coal, limestone of all kinds, lime, iron and other metals, unmanufactured and manufactured, blasting powder, dynamite, and other analogous articles. These articles may be transported between different points as required during the work of canal construction and discharged and stored free of all local tax.

During the construction of the canal the association may import free of duties provisions, clothing for the laborers, and medicines indispensably necessary for its own use.

With the exception of powder, dynamite, and other explosive substances, articles in which trade is restricted are not included in this concession, but remain subject to the requirements and imposts established by the laws.

ARTICLE 27. The vessels employed by the association as tugs or for canal service shall be free of all taxes and imposts whatsoever, as shall also the fuel used and materials for their repairs.

All vessels and their equipments intended for the service of the association shall be free of dues or imposts, whatever may be the place they come from.

ARTICLE 28. The Government shall make such regulations as it may deem necessary to prevent smuggling and to maintain public order in the region of the canal, which may be within Costa Rican territory or bordering on it, or in the waters over which it exercises joint jurisdiction.

The association shall be bound to assist in carrying out such regulations. But in the free zone, along the banks of the canal, as hereinafter stipulated, the measures adopted to prevent smuggling shall be limited to watchfulness on the part of employee and employees performing that duty; and no other measures affecting passengers, vessels, or their cargoes shall be taken except when an attempt to smuggle has been discovered, it being the purpose of the State that on the canal there shall be the most ample liberty of transit for persons and property, with the limitations only established by this contract. The company, consequently, shall have the right to discharge and reload vessels in transit, wherever it may be necessary, for repairs or to lighten for restowage, or by reason of any accident which may render it unavoidable, without being subject to search, exactions, or taxes of any kind; in each case before commencing the operation notice shall be given to the nearest customs authority.

ARTICLE 29. The Government shall afford its protection in accordance with the

laws of the Republic to the engineers, contractors, employees, and laborers engaged in the preparatory surveys or in the works of construction or in operating the canal.

ARTICLE 30. The association shall be exempt from all forced loans and military exactions in times of peace and of war.

The agents and foreign employees shall also be exempt from direct taxes, forced loans, and military exactions while they are in the service of the canal; but in case they become the owners of real estate, or of industrial or mercantile establishments, they shall be subject to the direct taxes established by law.

ARTICLE 31. The association may freely bring to the lands which have been ceded to it the employees and laborers of any race needed for its works and shops; it may also bring in immigrants of any nationality except Asiatics and negroes; and the immigrants, as well as the employees and laborers, shall be subject to the laws of the Republic and to the regulations of the company. The Government assures them aid and protection and the enjoyment of their rights and guaranties under the laws and constitution during the time they remain in Costa Rican territory.

ARTICLE 32. The Government of Costa Rica guarantees to the association and to its agents under the laws of the country, as it does to all other inhabitants, the full enjoyment of the rights and guaranties which the constitution and laws concede them.

On the other hand, the association and its agents are strictly bound to respect the laws and regulations ruling in Costa Rica, and especially to submit to the judgments of the courts, without claiming in any case other rights than those enjoyed by Costa Ricans.

ARTICLE 33. The Government shall establish throughout the line of the canal which may lie within Costa Rican territory or on its frontier or in waters which belong to it as sole owner or in joint dominion such police stations and customs guards as it may deem necessary to maintain good order in the region of the canal and to enforce the customs laws of the Republic.

The expenses attending this service, including the cost of buildings, salaries, and allowances of employees, transportation of troops, in excess of what the Government pays for customs guards now established at the mouth of the San Carlos or at any other point crossed by the canal, shall be paid into the public treasury by the company, upon the terms and conditions to be fixed hereafter, taking into consideration the requirements and necessities for such service.

The association shall have the right at all times to establish guards and watchmen for the service of the canal and for the enforcement of its regulations.

ARTICLE 34. All contracts for work on the canal which the association shall make abroad shall be valid and subsisting and shall have full force and effect in Costa Rica, in so far as they do not conflict with the established laws of the Republic.

ARTICLE 35. The association shall be exempt during the period of this concession, in times of war and of peace, from every form of tax upon the real estate acquired by virtue of this contract, and from all direct taxes, local imposts, and from all other dues relating to the property and to the use of the canal or its buildings, or the constructions pertaining to it, throughout its length, including those at the ports and the maritime establishments on the two oceans.

That franchise is not transmissible to the purchasers of real estate which the association may sell in conformity with this concession.

ARTICLE 36. The Republic of Costa Rica shall not establish tonnage dues, anchorage, pilot, light, or any other charges upon vessels of any class whatever, nor upon the merchandise, luggage, and passengers which may pass through the canal from one ocean to the other. All such rights are reserved to the association as stipulated in article 39.

ARTICLE 37. With the view to secure to persons and property the most ample freedom of transit, there shall be on each side of the canal a free zone of 90 meters 288 millimeters in width, measured from the water's edge of the canal.

But within this zone all traffic declared by the laws of the Republic to be illegal shall be prohibited, and the customs authorities, empowered to watch and to prevent smuggling, shall act in accordance with the stipulations of article 28.

It is expressly understood that any vessel navigating the canal which may be within the territory of Costa Rica, or along the line of its frontier or in waters over which it has joint sovereignty, shall carry on board a guard appointed by the Government whenever the authority shall deem it advisable, and that employee shall act in conformity with the laws in case of their violation.

The two ports of entrance and departure to and from the canal on either ocean, if wholly or in part within the territory or waters of Costa Rica, shall be declared free ports, and shall be recognized as such from the time of the opening of the canal to the termination of this concession.

The Government, conjointly with the company, shall designate by a special decree the limits of the free zone, which shall never extend beyond the waters of the same port comprised between the mouth of the canal and the entrances to the ports.

Merchandise embarked or discharged at either port of the canal, within Costa Rican territory, destined for interior commerce, shall pay the import and export duties fixed by the customs laws of the State.

ARTICLE 38. For the proper administration of the canal and its dependencies and to facilitate its construction and use, the company shall prescribe the necessary regulations, which shall be binding upon all persons in the waters of the canal or its dependencies, with the sole reservation of the recognition of the rights and sovereignty of the State.

It is understood that the association in use of the rights conceded in this article shall not make any other regulations than such as are required for the administration and special management of the canal, and that before putting them into force they shall be submitted to the approval of the Government. The State shall lend the aid of its authority to enforce these regulations.

ARTICLE 39. By way of compensation for the expenses of surveys, construction, preservation, and operation of the whole or a part of the canal during the period of this concession, the association shall have the right to establish and to receive for the passage of ships and vessels of all kinds, of travelers and merchandise, through the canal and in the waters and ports pertaining to it, imposts on navigation, tonnage, pilotage, towage, storage, lay dues, anchorage, light, and roadstead dues, wharfage, for hospitals, and others of a similar character which may be established in consonance with article 45 of this contract.

These tariffs may be modified by the association at any time, on the condition that all the modifications introduced therein shall be previously communicated to the Government, which shall, if found to be within the restrictions established by said article 45, cause them to be observed as if the regulations were issued by itself.

The payment of all tariff dues shall be required without any preference or exception and under the same conditions from all vessels from wheresoever they may come or of whatever nationality, save in reserved cases stipulated in the next article.

ARTICLE 40. In compensation for the privileges and concessions which Costa Rica grants by this contract it is stipulated that the Republic shall enjoy the special privilege that Costa Rican vessels, sailing under the flag of Costa Rica, shall navigate the canal at a reduction of 50 per cent from the general tariff while employed in the coasting trade or in the interstate trade with the other Republics of Central America.

To enjoy this privilege said vessels must be, indispensably, of the matriculation of this Republic and must be owned by citizens of the same.

The same rebate of 50 per cent from the general tariff shall also be conceded to any vessel outward bound which commences its voyage from any of the ports of the Republic and whose cargo shall consist in its totality of products of the country.

Costa Rican vessels of war, and those of the revenue service, of the Republic shall pay no transit dues in passing through the canal, neither shall the vessels of national matriculation which navigate in Costa Rican waters connected with the canal, and the canal itself, without passing the locks, pay dues, but such vessels shall not in any way obstruct the expeditious navigation of the canal.

On the part of Costa Rica there will be no obstacle to the enjoyment by Nicaraguan vessels of the advantages granted in this article to those of Costa Rica, provided that Nicaragua consents in reciprocity that Costa Rican vessels shall enjoy the same advantages in Nicaraguan waters.

All the concessions to which this article refers shall be extended to the other republics of Central America, or to any of them, if Costa Rica and Nicaragua should be free from international obligations which might prevent it, or whenever any one or more of said republics shall form with Costa Rica one nation.

ARTICLE 41. In case it should be possible to utilize the waters of the canal and its dependencies for irrigating plantations, gardens, or streets, or for the supply of places requiring water, or as a motive power for private enterprises, the company shall have the right to supply it and receive compensation therefor, according to the rates established conjointly with the Government, proportionally with the quantity supplied.

ARTICLE 42. The association shall undertake at its own expense the final surveys and tracings of the line of the canal by a commission of competent engineers. The Government of Costa Rica shall have the right of inspection of the works of the final survey which are being made and those already concluded by a competent engineer appointed by the said Government, whose salary shall be paid by the association and fixed by agreement with the Government.

For the final surveys of the canal the term of two years and a half, counting from the date of the ratification of this contract, is conceded to the association. Within that time the final surveys shall be concluded, the company which is to carry out the enterprise shall be organized, and work shall commence.

It is understood that work shall not have commenced if three years after it has been undertaken \$2,000,000 shall not have been expended therein.

The term mentioned in this article may be extended by the Republic at the solicitation of the association if, in the judgment of the Government, there should be just motives therefor.

ARTICLE 43. The term of ten years for the construction and completion of the Maritime Canal and for opening it to traffic is also conceded to the association.

Notwithstanding, should it be shown that obstacles have arisen sufficient to retard the regular progress of the work during the ten years referred to, the term shall be extended to equal in duration the time lost in consequence.

If at the expiration of the ten years before mentioned the work shall not have been completed and maritime communication between the two oceans opened, the Republic, in consideration of the large capital the association will have invested in the enterprise and the good faith and ability which it shall have shown and the difficulties it may have encountered, binds itself to concede a new extension.

ARTICLE 44. In guarantee of the fulfillment of the stipulations of article 42 the company shall deposit to the order of the Government of Costa Rica, in a bank or commercial firm of New York, or with the agent named by the Government, and as soon as the certificate shall be issued, 1,000 shares of the capital stock, of the nominal value of \$100 each. Said shares shall be considered as advanced to the Government in payment of police and customs guard expenses to be incurred in accordance with article 33, and the association shall be credited with the actual value of the shares at the time of making said payments.

ARTICLE 45. In consideration of the valuable concessions, privileges, and exemptions which are granted to the association by virtue of this contract, the Republic shall receive in shares, certificates, or other securities representing the capital stock of the company a sum equal to $1\frac{1}{2}$ per cent of the total value of the emission of said capital stock, in shares or certificates of the value of \$100 each; that sum shall in no case be less than \$1,500,000. It is understood that the shares shall be fully paid up, two-thirds shall not be transferable, and all shall participate in the profits, interests, divisions, dividends, amortizations, rights, privileges, and other advantages pertaining to paid-up shares, without any difference.

These shares, together with the privileges conceded by the association to the Government in this contract, shall be in full compensation to the Republic for the public lands that may be inundated and for all the privileges and concessions granted in this contract, and shall cover completely all claims of this class on the part of the State against the association or company.

The shares referred to in this article shall be delivered to the agent the Government may appoint for that purpose as soon as the company shall be ready to issue the certificates of its capital stock.

ARTICLE 46. From the gross earnings of the enterprise the company shall first reserve a sufficient sum to cover all expenses for the preservation, operation, and administration of the canal; all sums necessary to secure the interest debt, the rate of which shall not exceed 6 per cent, and for the amortization of its obligations and shares; the remainder shall be the net earnings, from which not less than 80 per cent shall be divided among the stockholders. It is understood that ten years after the completion of the canal the company shall never divide among the shareholders by direct or indirect dividends, issue of stock, or in any other way, more than 15 per cent annually, or in that proportion, for canal dues collected; and when it shall be found that the charges yield a larger profit the dues shall be reduced to the basis of 15 per cent per annum.

ARTICLE 47. The present concession shall lapse—

First. For failure of the company to comply with any of the conditions of articles 7, 42, and 43.

Second. If the service of the canal after completion should be interrupted for six months, except in fortuitous cases, or cases of "force majeure."

The termination of the contract having been declared for any of these causes, the public lands conceded by this contract shall be restored to the Republic, in whatever condition they may be found, without indemnity.

Those lands which the company shall have sold with the formalities prescribed by law shall be excepted, provided always that such sales shall not have been made within the six months previous to the date upon which the company becomes lawfully subject to the penalty herein established.

ARTICLE 48. At the expiration of the ninety-nine years herein stipulated, or in the event of the lapse of the contract mentioned in the foregoing article, the Republic shall enter into possession, in perpetuity, of that part of the canal, its warehouses, stations, and other establishments used for the administration of the canal, found in the territory of the nation; the work found in the waters over which the Republic has cosovereignty, shall belong to it in joint domain; and in regard to that part of the canal and its waters over which Costa Rica has not eminent domain, but the right of use and free navigation after ninety-nine years or in case of termination, the Republic shall retain the right of use and free navigation thereof in perpetuity. For all which the Republic shall not be bound to pay any indemnity to the company,

The vessels of the company, their supplies of coal and other materials, mechanic shops, floating and reserved capital are excepted from these conditions, as are also at the expiration of the ninety-nine years the lands which the State ceded by this contract, excepting those upon which the works mentioned in the first part of this article have been established, which shall become the property of the State, together with their dependencies, as necessary for the service of the canal and as an integrant part of the same.

But in the capacity of lessee the company shall have the right, at the expiration of the period of ninety-nine years, to the full enjoyment of and free use and control of the canal and of the part within the territory of Costa Rica, enjoying equally the privileges and advantages of this concession during a second period of ninety-nine years, conditional with the payment to the Government of Costa Rica of $6\frac{1}{4}$ of 1 per cent of the net annual earnings of the canal, in addition to the dividends accruing from its shares of the capital stock.

The company shall have the right at its discretion to fix the dues (or tolls) referred to in article 39 of this concession in such a manner that the stockholders, after deducting the payment of $31\frac{1}{4}$ per cent, shall still receive 10 per cent annually upon all the capital.

At the expiration of the second term of ninety-nine years the Government shall enter into perpetual possession of the canal and of other property referred to in the first part of this article, and in addition all that was excluded from delivery in said first part, with the exception of the lots of land ceded to the association by the present contract and the reserved capital and sinking fund.

Failure to fulfill any of the conditions of the lease shall terminate it, and the State shall enter into possession of the canal, or of that part which belongs to it because of its being in Costa Rican territory,* and of the other works belonging to the canal as stipulated in the foregoing paragraph.

ARTICLE 49. Any disagreement which may arise between the Republic and the company as to the interpretation of the present stipulations shall be submitted to a board of arbitrators to be composed of four persons, two to be named by the State and two by the company.

These arbitrators shall be designated by each of the parties within four months from the day upon which one of the said parties shall have made known to the other in writing the disagreement on the point under discussion.

If one of the parties should allow the period mentioned to pass by it shall be held that the opinion or claim of the other has been accepted. The majority of the arbitral votes shall decide definitely and without appeal. In case of a tie, the arbitrators, by mutual agreement, shall name a fifth, who shall decide. If unable to agree in naming a fifth, they shall draw by lot from the names of the diplomatic representatives accredited to Costa Rica, and the first drawn shall exercise the functions of the fifth arbitrator; he shall adopt the opinion of one or the other side, and whatever he decides shall be final and without recourse of any kind.

In default of the fifth arbitrator, the second one drawn shall exercise these functions, and so successively until a decision shall have been reached.

Before the commencement of the work of opening the canal the Government, jointly with the company, shall adopt rules by which the arbitrators shall be governed in whatever relates to their proceedings.

Questions between the company and individuals residing in Costa Rica shall be decided by the ordinary courts, and in conformity with the laws of the Republic. In matters of those who do not reside in Costa Rica the rules of international law private shall be adhered to.

ARTICLE 50. This contract, when approved by the President of the Republic, shall be submitted to the supreme legislative power for its ratification if deemed desirable. In case of its rejection the Nicaragua Canal Association shall be released of its obligations herein contracted. The ratification or rejection shall be given within one hundred and twenty days from this date.

In faith whereof the undersigned sign four copies of the present contract, two for each party, at San Jose, Costa Rica, July 31, 1888.

P. PEREZ ZELEDON.
A. G. MENOCAL.

This contract was approved the same day by the President of Costa Rica, and was ratified by the Costa Rican Congress on the 9th of August, 1888.

* Or at points where Costa Rica has joint rights.

President Carazo of Nicaragua to Mr. Bayard.

[Telegram.—Translation.]

MANAGUA, *August 31, 1888.*

(Received Washington, September 1—1.46 a. m.)

Minister BAYARD, *Washington :*

The Zeledon-Menocal contract demands important measures on the part of my Government by reason of its contravening the arbitral decision. It is urgent that I have an interview with Minister Hall. I beg you to telegraph him authorizing such interview.

CARAZO, *President.*

[Telegram.—Cipher.]

DEPARTMENT OF STATE,
Washington, September 1, 1888.

HALL, *Minister, Guatemala.*

Nicaraguan President telegraphs asserting Costa Rican contract with canal company contravenes arbitrator's decision and asks conference with you. We have no authority in regard to contract, but are only concerned in promoting good relations between Nicaragua and Costa Rica. You may visit capital of Nicaragua if invited by Government of Nicaragua and hear what President of Nicaragua has to say, but avoid making any engagement.

BAYARD.

Mr. Hall to Mr. Bayard.

No. 859.] LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, September 4, 1888. (Received Sept. 20.)

SIR: I have to acknowledge the receipt of your telegram of the 1st instant, as follows:

The Nicaraguan President telegraphs Costa Rica contract with canal company contravenes arbitrator's decision and asks conference with you. We have no authority in regard to contract, but are only concerned in promoting good relations between Nicaragua and Costa Rica. You may visit capital of Nicaragua if invited by Government of Nicaragua and hear what the President has to say, but avoid making any engagement.

I also received on the 1st and 2d instants three telegrams from President Carazo requesting me to go to Nicaragua by first steamer. I shall leave at the earliest moment that the business of the legation will permit, probably on the 13th instant, or at latest on the 22d instant, and shall bear in mind the telegraphic instruction that the United States are only concerned in promoting good relations between Nicaragua and Costa Rica.

In his telegram of the 1st instant President Carazo says that grave measures are pending an interview with me. I am at a loss to understand why my presence there is so essential.

I have, etc.,

HENRY C. HALL.

Mr. Hall to Mr. Bayard.

No. 864.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,

Guatemala, September 11, 1888. (Received October 2.)

SIR: With reference to your telegram of the 1st and to my dispatch No. 859 of the 4th instant, relative to the new difficulties between Nicaragua and Costa Rica, arising out of the recent contract between the latter and the Nicaragua Canal Association, I have the honor to inclose a copy of a personal note, and papers accompanying it, from Minister Zavala, in which he alleges that the contract in question violates the rights of Nicaragua; that it is in conflict with the award of the President of the United States which defines those rights, and furthermore, that it is null and void, inasmuch as the contracting parties had no power or right to conclude such a contract in such terms.

The principal objections are set forth in the memorandum of "bases for discussion" prepared by the minister for submission to the "council of government." I beg to invite your attention to this document and to his note to the minister for foreign affairs of Costa Rica.

Minister Zavala further states that he has instructed the Nicaraguan minister at Washington on the subject and has also instructed the Nicaraguan delegate to the Central American Congress, which meets at San José, Costa Rica, on the 15th instant, to enter into private and friendly negotiations with the Government of Costa Rica. I have suggested to the minister to submit the question to the Central American Congress.

I have, etc.,

HENRY C. HALL.

[Inclosure in No. 864.—Translation.]

Señor Zavala to Mr. Hall.

MANAGUA, *September 1, 1888.*

ESTEEMED Mr. MINISTER: I suppose you are informed in regard to the Interoceanic Canal contract made at Washington on the 17th of May last, between Señor Zeledon and Señor Menocal, ratified on the 9th ultimo by the Costa Rican Congress.

After a diligent study of that document my Government has arrived at the profound conviction that it attacks the rights of this Republic, and that it conflicts with what the arbitral award has established, and that it is devoid of any validity, inasmuch as the contracting parties had no power to make it in the terms it has been carried out.

For this reason I have already addressed the Nicaraguan legation in Washington, instructing it to open such negotiations as the case demands; at the same time I have given like instructions to our representative minister to the Central American Diet to enter into private and friendly negotiations with the Government of Costa Rica and to present at the same time a note of which I send you a copy inclosed.

I also inclose a copy of the bases of discussion which I presented to the council of Government, called together by the President to deliberate upon the subject before taking any definitive resolution, bases which contribute some of the capital objections contained in the contract, and which serves Nicaragua as a reason for rejecting it as an attack upon her sovereignty.

In the presence of these observations and antecedents touching the question you will be able to form a correct idea of the justice of our case.

President Carazo has invited you by cable for a conference in regard to this grave affair, and in his and my judgment such interview is necessary for the final decision of my Government. Mr. Secretary Bayard has authorized you by cable to come, and Señor Carazo and I entertain the hope that you will accept the invitation referred to.

The interest you have always manifested in behalf of these Republics, and which has merited our sincere recognition as also our confidence in the rectitude and impartiality of your judgment, induce us to believe that your presence will contribute to a just solution of the difficulty to which the contract with Costa Rica has given rise.

Without else to communicate, I remain, etc.,

ADRIAN ZAVALA.

[Subinclosure 1 in No. 864, with Señor Zavala's note to Mr. Hall, September 1, 1888.]

BASES FOR DISCUSSION.

Upon receiving notice for the first time of the Interoceanic Canal contract made at San José, Costa Rica, on the 30th of June last, our first impression was to take no steps in the matter, but to restrict the Government's action and await the development of events.

The first idea was that the contract, having relation solely to the territory of Costa Rica, its Government had acted with perfect right and that Nicaragua ought not to protest against an act of rightful sovereignty which it could not lawfully prevent.

Notwithstanding, after a careful study of that document the idea has arisen with the Government that the contract may engender difficulties of grave moment.

Attention is at once called to the form of this contract, which appears to have been cast in the same mold with ours, and to a certain extent it makes out that the Maritime Canal to which it refers is a work entirely independent of the Nicaragua Canal, but which in a certain way injures our rights.

This is shown, among other things, by the fact that it stipulates two years and a half for the termination of the final surveys of the canal, so that if by any chance the contract of Nicaragua should expire before or during the months that remain for the fulfillment of article 47, and if Nicaragua, when freed of her contracted agreement, should wish to make a new agreement—for example, with any English or German company—and the contract with Costa Rica should still remain in force, the result would be a serious conflict, because of having taken into consideration in that contract matters in which Nicaragua is jointly interested and exercises rightful sovereignty.

Besides the foregoing the principal objections to the contract with Costa Rica are the following:

First. The arbitral award in its articles 10 and 11 confirms the exclusive right of Nicaragua, which has always been recognized, to make canal or transit contracts, Costa Rica to be compensated merely for the concessions that may be solicited of her.

This contract, on the contrary, destroys the unity of the work and attacks the right of Nicaragua to grant interoceanic canal concessions. To admit it in the present form would be to establish a precedent which in future will not permit us to carry out any other than tripartite contracts, when it does not compel us to enter into objectionable transactions in case Costa Rica should on her part anticipate us in concluding another negotiation with another company.

Second. If Costa Rica can enter into interoceanic canal contracts because on a minimum part of the route some of her rights are affected, it follows, *quid pro quo*, that Nicaragua, which is in possession of the greater part of the route, can conclude no contract without soliciting the opinion of Costa Rica; while Costa Rica, solely in virtue of the right to navigate the San Juan River, can do all this without consulting Nicaragua, which is both absurd and inadmissible.

Third. Another observation, and one of the most important, is that Costa Rica arrogates rights over the canal in virtue solely of the circumstance of its route being along the line of her frontier.

Fourth. The first article of the Costa Rican contract, by which it is established that the said contract shall have full effect, even in case "that use shall be made only of the waters in which Costa Rica has joint dominion or the right of use and

navigation," appears to give Costa Rica a direct intervention in the work which certainly is not justified by the simple right of community in the bays of Greytown (San Juan del Norte) and Salinas, and the right of navigation in the San Juan River.

Fifth. The joint sovereignty which, according to the contract, Costa Rica exercises in the waters of Nicaragua can refer only to the bays in which she has common rights in conformity with the treaty of 1858. But this joint sovereignty appears to be limited by the fact to which the fourth clause of article 3 of the arbitral award refers. By that clause Costa Rica is not bound to contribute with Nicaragua to the necessary expenses for removing obstructions in the Bay of San Juan del Norte; and in regard to the waters of the San Juan, Costa Rica can enter into no negotiations by reason of the right of navigation conceded to her, inasmuch as by article 6 of the treaty of 1858 Nicaragua holds eminent domain and sovereignty exclusively over those waters from the outlet of the lake to their discharge into the Atlantic.

Sixth. By the sixth clause of the contract with Nicaragua, vessels of war of any nation at war with Nicaragua shall not be permitted to enter the canal. Article 6 of the contract with Costa Rica establishes the same prerogative in favor of that Republic; it implies a certain contradiction, supposing that war should be declared between the two countries.

Seventh. Costa Rica arrogates the right under the contract to take possession in a given time of the canal, and to become absolute owner of the part she only holds in common.

Eighth. In view of these principal observations and of others of less importance which will be suggested in the course of the discussions, ought the Government to maintain an absolute silence and accept, indirectly, the contract of Costa Rica, such as has been concluded, as an inevitable fact, or ought it to protest in behalf of the national rights and interests which it deems to have been injured?

For these reasons and inasmuch as a mission is about to leave for Costa Rica to represent Nicaragua in the coming Central American Congress, the Government has deemed it desirable to hear the opinion of the persons who have been delegated to that conference in order to be able to give appropriate instructions upon the subject referred to to Minister Urtecho.

MANAGUA, *August 28, 1888.*

[Subinclosure 2 in No. 864.—Translation.]

Señor Zavala to Señor Zeledon.

MINISTRY OF FOREIGN AFFAIRS OF NICARAGUA,
Managua, September 1, 1888.

MR. MINISTER: In due course there have been received in this department under my charge three copies of the canal contract to which you refer in your telegram of the 9th ultimo.

In reply to that telegram I expressed to you the satisfaction of my Government, because it entertained the hope that in the negotiation the Government of that Republic would cooperate in giving greater facilities for the realization of an enterprise upon which, beyond doubt, the future of these countries depend.

Having now become acquainted with that document, I should have nothing to say; on the contrary, it would be to me a source of gratification did it not involve great difficulties for carrying out the work of the canal and did it not imply the assumption of the private rights of Nicaragua, which invalidates it and renders it of no effect.

Before all, I must call your attention to the eleventh clause of the award given by the President of the United States of America, which fixes the true meaning of the boundary treaty of 1858. That clause declares that "the treaty does not give the Republic of Costa Rica the right to be a party to grants which Nicaragua may make for interoceanic canals," and according to article 1 of the contract to which I refer the Republic of Costa Rica concedes to the Nicaragua Canal Association the exclusive privilege to excavate and to operate an interoceanic canal; it is evident that Costa Rica, in so doing, intermeddles in a matter to which Nicaragua alone is a party, and places herself in open opposition to the arbitral decision.

The correctness of this affirmation will be corroborated by the fact that the Nicaragua Canal Association is the creation of this Republic by the grants and privileges which have been conceded to it, and it shows clearly that Costa Rica could not enter into agreements with that association without the consent of Nicaragua.

I must likewise call your attention to the circumstance that the contract to which I refer contains also clauses which seriously impair the rights of Nicaragua, as may be cited, among others, the stipulation in article 48, which concedes to Costa Rica pro-

prietary rights in the Interoceanic Canal. It is inadmissible, since that right belongs solely to Nicaragua in virtue of the eminent domain and sovereignty which she holds over the territory and waters in which the work has to be carried out, and which has been definitely recognized in several clauses of the contract with Señor Menocal.

Well, then, if, when the final route of the canal shall have been known, it should result that the occupation of any part of the territory or waters of Costa Rica should be indispensable, in such case my Government, in conformity with the eleventh clause of the award of President Cleveland, would find it natural that Costa Rica should demand the indemnity to which she might have a right.

In consideration of the foregoing my Government trusts that yours, becoming convinced of the incompatibility of the contract referred to with the one previously made between Nicaragua and the same canal association, will be pleased to reconsider it and limit its action to the strict use of its rights.

I beg you to be pleased to accept the assurances, etc.,

ADRIAN ZAVALA.

Señor Zavala to Mr. Bayard.

[Translation.]

MINISTRY OF FOREIGN RELATIONS OF NICARAGUA,
Managua, September 14, 1888. (Received October 5.)

MR. SECRETARY: I take pleasure in introducing to your excellency Señor Don J. Francisco Medina, who, on his return to France, where he worthily and satisfactorily represents the Republic in the character of envoy extraordinary and minister plenipotentiary, will remain some time in your capital, commissioned to advise with or ^{or} ^{of} legation in relation to the difficulty caused by the enactment of the Zeledon-Menocal contract, of which your excellency is already informed.

Minister Medina is the senior diplomat of those who at present represent this country abroad, a circumstance that together with his being fully acquainted with the opinion of this Government relative to the meaning and bearing of said contract, has seemed to render it proper, profiting by his passage through the United States, to give him this commission, notwithstanding the efficiency and natural interest with which our representative near the Government of your excellency has already initiated measures in regard to this (for Nicaragua) important matter.

With this understanding, everything that Señor Medina may privately state to you on the part of my Government will I hope meet with entire faith and credit from your excellency, and thanking you in advance for the kind welcome you will be pleased to accord him, I am happy to subscribe myself, etc.

ADRIAN ZAVALA.

Señor Guzmán to Mr. Bayard.

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,
Washington, D. C., September 15, 1888. (Received Sept. 17.)

SIR: I have the honor to bring to your excellency's knowledge that, in the judgment of my Government, the canal contract recently entered into between the Republic of Costa Rica and the Nicaragua Canal Company gravely invades the sovereign rights which the boundary treaty of 15th of April, 1858, recognizes as belonging to Nicaragua over the

route to be followed by that path of interoceanic communication; which rights have been confirmed by the decision of His Excellency President Cleveland, as the arbitrator designated by the two Republics, when he declared the validity of that compact.

The sixth article referred to establishes conclusively that "Nicaragua shall have exclusively the dominion and sovereign jurisdiction over the waters of the San Juan River from its origin in the lake to its mouth in the Atlantic," guaranteeing only to the Republic of Costa Rica the right of free navigation in a part of that river.

In respect to concessions for the opening of an interoceanic canal, the right to grant the same has ever been exclusive on the part of Nicaragua, although it is true that the eighth article of the treaty stipulates that Nicaragua shall not enter into them "without first hearing the opinion of the Government of Costa Rica as to the disadvantages which the transaction might occasion the two countries." In this regard the decision of the arbitrator is as clear and precise as it is possible for it to be, since it reads, textually, thus:

The treaty of limits of the fifteenth day of April, one thousand eight hundred and fifty-eight, does not give to the Republic of Costa Rica the right to be a party to grants which Nicaragua may make for oceanic canals, though in cases where the construction of the canal will involve an injury to the natural rights of Costa Rica, her opinion or advice, as mentioned in Article VIII of the treaty, should be more than ["advisory" or *] "consultative." It would seem in such cases that her consent is necessary, and that she may thereupon demand compensation for the concessions she is asked to make, etc.

In the canal contract which Costa Rica has just concluded that Republic appears as dividing with Nicaragua the sovereignty over the route—a claim from every point of view without justification in view of the treaty and the decision, and one to which Nicaragua can not assent without impairment of her dearest interests.

That Costa Rica has the right to demand compensation for that part of her territory which may be encroached upon by the works of the canal is a matter not open to discussion, but from this position to that of exercising over the route a sovereignty equal to that which Nicaragua exercises the distance is enormous, and such an interpretation of the arbitrator's decision is, in the judgment of my Government, unsustainable.

In a communication which I have just received from the department of foreign relations of Nicaragua I am instructed as follows, the words being literally copied:

Therefore I must state to your excellency that the Costa Rican contract, in the shape in which it has been concluded, may give rise to complications and difficulties which would redound in prejudice to the enterprise. In truth, this Government had information that the company was endeavoring to effect an arrangement with the Government of the neighboring Republic with regard to such part of its territory as should be occupied (encroached upon, *interesado*); but it was never thought that it would enter into a new contract cast in the same mold as our own, because there has never been any doubt as to the right exclusively pertaining to Nicaragua to conduct the negotiations for an interoceanic canal—a right which the decision recognizes when it subjects Costa Rica to the receipt of compensation for the concessions she is asked to make for the work.

I am awaiting from my Government more detailed instructions upon this point; and meanwhile I have the honor to transmit with the present communication a copy, in English, of the Costa Rican contract, in order that your excellency may be pleased to become acquainted with its contents.

* This passage is here copied from the original text of the President's decision. In Señor Guzmán's Spanish version the words in brackets are not translated.—TRANSLATOR.

As your excellency will comprehend, the question is one of vital importance for my country, whose traditional rights over the route to be followed by the interoceanic canal appear to be seriously menaced.

As extensive American interests have become associated in the enterprise, and in view of the circumstance of President Cleveland having been the arbitrator chosen by Nicaragua and Costa Rica to put an end to their disputes concerning territorial boundaries, my Government thinks that this matter should be brought to the knowledge of the Department of State, to the end that, if your excellency deems such a course opportune, you may be pleased to lay it in turn before His Excellency the President of the United States.

I repeat to your excellency the assurances of my most distinguished consideration.

H. GUZMÁN.

Mr. Bayard to Señor Guzmán.

DEPARTMENT OF STATE,
Washington, September 27, 1888.

SIR: I have the honor to acknowledge the receipt of your note of the 15th instant, arguing that the contract concluded between the Republic of Costa Rica and the Nicaraguan Canal Association in July, 1888, violates the treaty of 1858 between Nicaragua and Costa Rica and conflicts with the President's decision as arbitrator between those States.

In reply I have to inform you that the Department awaits the further communication from your Government which you intimate you will transmit before commenting upon the subjects treated of in your present note.

Accept, etc.,

T. F. BAYARD.

Mr. Hall to Mr. Bayard.

[Telegram.]

MANAGUA, September 28, 1888.

Secretary BAYARD, Washington:

In reference to the question (of) contract Nicaragua Costa Rica am I authorized to offer President's arbitration? There are indications of their acceptance.

HALL.

Señor Guzmán to Mr. Bayard.

[Translation.]

No. 41.]

LEGATION OF THE REPUBLIC OF NICARAGUA,
Washington, D. C., October 1, 1888. (Received Oct. 2.)

SIR: I have had the honor to receive your excellency's reply to the letter in which I informed the Department of State that my Government considered the canal contract recently concluded by the Republic of Costa Rica as a violation of the sovereign rights which, under the

boundary treaty of April 15, 1858, and in accordance with the decision of the President of the United States as arbitrator, Nicaragua possesses over the waters of the River San Juan.

The instructions on this subject which I expected having arrived, I consider myself fully authorized to present to your excellency the reasons which induce Nicaragua to regard as illegal the above-mentioned canal contract.

My Government, without hesitation, believes that neither the treaty of 1858 nor the decision of the arbitrator gives to Costa Rica the right to form canal contracts for the route of San Juan and Nicaragua Lake, and her grounds for this are:

First. That Article VI of said treaty recognizes her exclusive sovereignty over the waters of the river.

Second. That Article VIII of the said compact in declaring that Nicaragua in making canal contracts must first have the opinion of Costa Rica—the voice of that Republic being purely consultative, provided her natural rights are not infringed—establishes the manner in which such contracts should be negotiated.

Third. That the decision of the President of the United States as arbitrator, in explaining the doubtful meaning of the eleventh point, which was submitted to him by Nicaragua for arbitration, is stated thus:

The boundary treaty of the 15th of April, 1858, does not give to Costa Rica the right to be a party to interoceanic canal concessions that Nicaragua may execute, although in those cases where the construction of the canal might occasion prejudice to the natural rights of Costa Rica, her opinion or voice referred to in Article VIII of the treaty should be more than (advisory or) consultative. It would seem that her consent in such cases is necessary, and that she can ask compensation for the concessions that may be solicited from her, etc.

Before going further, I take the liberty of calling your excellency's attention to the fact that the canal contract which Costa Rica has signed is for the construction of the Nicaragua Canal, since no way of communication is mentioned in it but the old and well-known route of our river and lake. Its line, which measures 169 miles from sea to sea, crosses our territory, and only for a course of 27 miles touches the part which on the right bank of the San Juan belongs to Costa Rica; so that at no point in its progress will the canal cross the Cost Rican territory.

If Nicaragua possesses exclusively dominion and supreme command, or it may be absolute sovereignty, over the San Juan, it is obvious that Costa Rica can not claim part in this sovereignty, from the sole fact that the aforesaid Article VI acknowledges her right to the free navigation of a part of the said river.

Article I of the canal contract concluded by Costa Rica is stated thus:

This contract will effect its desired ends between the contracting parties on account of the sole fact that for the work of the canal in question the company can in any of her ports on either ocean utilize or occupy Costa Rican waters, or at least those over which Costa Rica has joint dominion or the right of use and navigation.

So that from the sole fact that they may utilize or occupy the waters in which Costa Rica has the right of navigation, but which are exclusively under the dominion of Nicaragua, that Republic thinks herself authorized to assume joint sovereignty over the route, concluding a canal contract which differs little from that executed by Nicaragua.

Should Nicaragua acknowledge the Costa Rican contract to be valid she would alienate a part of her sovereignty over the River San Juan, contravening what is decreed in a manner as explicit as definitive by the before-mentioned Article VI of the treaty of the 15th of April, 1858.

Passing now to Article VIII of the said treaty, the consultative voice which it concedes to Costa Rica defines most clearly what are the rights of that Republic to engage in concessions for the construction of an interoceanic route. Provided that her natural rights are not invaded, says the treaty, her voice will be only consultative, and the arbitrator added, that should such rights be affected, the consent of Costa Rica to the work would seem to be necessary, she being able in such case to ask compensation for the concessions that might be asked of her.

The words of the honorable President Cleveland determine, in the opinion of my Government, the extent of the rights of Costa Rica for canal enterprise. The treaty speaks only of a consultative voice, and the arbitrator, foreseeing the possibility of the natural rights of Costa Rica being interested, established in his decision the indemnity to which I have referred. But this is all, and none of the instruments referred to make mention of Costa Rica's joint sovereignty over the waters of the River San Juan, which would be the case were Costa Rica allowed to make concessions like the one she has just signed.

For a long time, and while she maintained the validity of the treaty of April 15, 1858, Costa Rica only claimed from Nicaragua the fulfillment of Article VIII on making canal contracts, and the being consulted in this regard was one of the arguments presented to the arbitrator by the legation of Costa Rica, in order to demonstrate that that agreement was in force and perfectly valid, in virtue of which Nicaragua had carried out its stipulations.

It is seen, then, that Costa Rica duly interpreting the boundary treaty of 1858, did not consider she had the right to make canal concessions, but limited herself to claiming that her consultative voice should be heard. Now that Republic assumes a very different attitude, claiming to exercise joint sovereignty over the waters of the San Juan River, and as this right does derive from the treaty of April 15, 1858, it is to be supposed that she pretends to deduce it from the decision as arbitrator of the honorable President Cleveland, and Nicaragua deems such interpretation of that paper to be untenable.

If Costa Rica had the right to make at will canal concessions for the San Juan route it would follow that Nicaragua would be always obliged to consult that Republic in regard to negotiations of that character, while Costa Rica could make them without our consent, which could not have been contemplated by the negotiators of the treaty of 1858, nor can it be gathered from the words of that compact.

If my Government were to let this matter pass in silence she would see herself in the future, should the company, the present grantee, not complete the construction of the canal, obliged to conclude tripartite contracts, Costa Rica being a party to them, in contravention of what is decreed by Article XI of the arbitrator's decision; and it might come to pass that Costa Rica, justifying to herself her pretended claim because of the apparent acquiescence of Nicaragua, might make new canal contracts without our knowledge, thus compromising a route that exclusively belongs to us.

That the contract of which I speak makes Costa Rica appear as exercising a joint sovereignty over the waters of the San Juan is so clear to the mind of my Government that it needs but a slight turning of the leaves to discover it. As a proof of this I will quote Article VI, which refers to the canal throughout its extent, and as only exercising sovereignty over the same would this language be admissible.

Article XXXVII goes still further, since it establishes "that there shall be on each bank of the canal a free zone, the extent of which shall

be 90 meters 288 millimeters, measured from the point reached by the waters of said canal."

Well, granting that the Costa Rican contract is modeled upon our own, it is not surprising that throughout the Republic of Costa Rica appears in it clothed with a sovereignty that does not belong to her, and I believe it is unnecessary to weary your excellency with further quotations.

My Government takes the liberty of bringing this matter before the Department of State in the hope that your excellency will be good enough, in conformity with your esteemed note of the 27th instant, to give it such consideration as the matter may suggest to you.

I avail myself, etc.,

H. GUZMÁN.

Mr. Bayard to Mr. Hall.

No. 629.]

DEPARTMENT OF STATE,
Washington, October 6, 1888.

SIR: I have received your No. 864 of the 11th ultimo, transmitting certain papers relative to the recent contract between the Nicaraguan Canal Association and the Republic of Costa Rica, which, as the Nicaraguan Government contends, violates its rights under the treaty of 1858 and conflicts with the President's arbitration between those States.

Dr. Horacio Guzmán, the Nicaraguan minister here, on the 15th ultimo, presented to the Department the protest of his Government alleging the same grounds of objection and promising to furnish further data from that Government bearing upon the question. Reply was made on the 27th ultimo that the Department preferred to await his promised further communication before discussing the subjects treated of in his note of the 15th.

Lately Dr. Guzmán again called at the Department and delivered a note of the 1st instant, substantially repeating the views expressed in the correspondence accompanying your dispatch. It has not been thought needful to reply to this note at once, but the minister was informally given the Department's general views touching the matter.

As pertinent to this subject, I herewith paraphrase my telegram to you of the 1st instant, to the following effect:

Nicaraguan President telegraphs asserting Costa Rican contract with canal company contravenes arbitrator's decision and asks conference with you. We have no authority in regard to contract, but are only concerned in promoting good relations between Nicaragua and Costa Rica. You may visit capital of Nicaragua, if invited by Government of Nicaragua, and hear what the President of Nicaragua has to say, but avoid making any engagement.

Also my later telegram of the 29th ultimo, saying that—

When the President's arbitration has been solicited by both parties he will decide.

These two telegrams correctly represent this Government's position. The United States is the impartial friend of both Republics, and entertains the hope, founded in a common interest, that whatever grounds may exist for a legitimate difference of opinion between them, it may be made to speedily disappear through frank and conciliatory action, alike honorable to both. In the present contingency, however, there is nothing that this Government can do, the President's offices having ceased with the rendition of his decision as arbitrator, and to offer a suggestion

at this juncture looking to a satisfactory adjustment of the alleged questions in dispute, while it might be regarded favorably by one of the parties, might, with equal candor, be considered as against the interest of the other. Hence no interposition on the part of this Government, unless it were requested by both to intervene, would seem to be prudent.

I am, etc.,

T. F. BAYARD.

Mr. Hall to Mr. Bayard.

No. 873.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Managua, Nicaragua, October 8, 1888.

SIR: With reference to your telegraphic instruction of the 1st ultimo, relating to the new difficulties between Nicaragua and Costa Rica in connection with the contract of the latter with the Nicaragua Canal Association, I have the honor to inform you that I reached this capital on the 27th ultimo, and after having conferred with the President, the minister for foreign affairs, and the Costa Rican consul-general in Nicaragua, who, by instruction of his Government, met me at the port of Corinto, I telegraphed you on the 28th ultimo, inquiring whether, with reference to the question of the Nicaragua-Costa Rica canal contract, I am authorized to offer President's arbitration, and adding that there are indications of their acceptance.

To this I received your reply of the 30th ultimo, stating that when the President's arbitrament has been solicited by both parties he will decide.

I took an early opportunity to make known to both Governments, through the proper mediums, that if they were disposed to solicit the mediation of the President for the settlement of their difficulties it would no doubt be granted. I suggested, also, that their respective decisions should be made known with as little delay as convenient.

The Nicaraguan Government, apparently, has not contemplated any other solution, but the answer to its protest against the contract with Costa Rica, a copy of which I forwarded to you from Guatemala,* had not been received. A telegraphed abstract proved to be unsatisfactory, and the Government decided to await the arrival of the document by the mail which was due here on the 5th instant but for some cause did not arrive until to-day, and up to the hour of writing I have not been informed whether the communication referred to has or has not been received. I am therefore compelled to defer communicating until the next mail the result of my mission to this capital in compliance with your instruction.

I have the honor to be, sir, your obedient servant,

HENRY C. HALL.

Señor Guzmán to Mr. Bayard.

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,
Washington, D. C., October 11, 1888. (Received October 11.)

SIR: My Government has proposed to that of the Republic of Costa Rica to submit the existing difficulty between them, to which I have

* See ante Mr. Hall to Mr. Bayard, No. 864, September 11, 1888.

referred in my last two notes to the Department of State, to the arbitral decision of the President of the United States, and it instructs me by cable to solicit of that high functionary, in the name of Nicaragua, the acceptance of the charge of arbitrator for the settlement of the difficulty referred to between the two countries. I hasten to do so through the honored mediation of your excellency.

Knowing the friendly sentiments which animate the American Government toward our Central American Republics, Nicaragua doubts not that his excellency, President Cleveland, will deign for the second time to lend his highly prized mediation for the decision of the questions pending between her and her neighbor the Republic of Costa Rica.

I take the liberty of begging your excellency to be pleased to bring the foregoing to the knowledge of the President of the United States, and I repeat to your excellency the assurances, etc.,

H. GUZMÁN.

Mr. Rives to Mr. Hall.

No. 630.]

DEPARTMENT OF STATE,
Washington, October 12, 1888.

SIR: I inclose for your information a copy of a dispatch from the United States consul at San Juan del Norte, No. 183, of the 14th ultimo, reporting that the concession recently granted by Costa Rica to the Nicaraguan Canal Association excites considerable unfriendly criticism throughout the Nicaraguan Republic.

In this connection I add also a copy of a note which I have to-day addressed to the minister of Nicaragua, in reply to one from him, asking that the present difficulty between his Government and Costa Rica, growing out of the concession in question, be submitted to the President's arbitration. I have observed that it did not appear that Costa Rica had accepted the proposal of Nicaragua to refer the dispute to the President's arbitrament, but that upon receiving a similar request from the Government of Costa Rica I would be pleased to lay the matter before the President and apprise him of the President's wishes respecting the same.

I am, etc.,

G. L. RIVES, *Acting Secretary.*

Mr. Rives to Señor Guzmán.

DEPARTMENT OF STATE,
Washington, October 12, 1888.

SIR: I have the honor to acknowledge the receipt of your note of the 11th instant, whereby you are pleased to inform me that the Government of Nicaragua having proposed to that of Costa Rica to submit the existing difficulty between them to arbitration by the President of the United States, it solicits of the President the acceptance of the charge of arbitrator.

The question between the two countries, as set forth in your notes of the respective dates of September 15 and October 1, relates to the validity and scope of a contract lately entered into between the Republic of Costa Rica and the Nicaragua Canal Association, under the treaty

of 1858 between Nicaragua and Costa Rica, as interpreted by the recent decision of the President as arbitrator.

It does not appear from your present note that the Republic of Costa Rica has accepted the proposal of your Government to which you refer, and joins with Nicaragua in requesting the President to act as arbitrator of the further question between the two countries. As I have had the honor to state to you verbally, in recent interviews, any arbitral decision by the President could only rest on a joint invitation and specific submission of the point at issue by the two parties to the dispute.

When a similar request for the President's arbitration shall be made by Costa Rica I shall take great pleasure in conveying to the President jointly therewith the invitation you now communicate, and shall lose no time in apprising you of his pleasure in respect thereof.

Accept, etc.,

G. L. RIVES, *Acting Secretary.*

Mr. Hall to Mr. Bayard.

No. 874.]

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

Managua, Nicaragua, October 13, 1888.

SIR: In continuation of my dispatch No. 873 of the 8th instant, relative to the new difficulties between Nicaragua and Costa Rica in connection with the contract between the latter and the Nicaraguan Canal Association, I have the honor to inclose a translation of the answer therein referred to of the minister for foreign affairs of Costa Rica to the protest of the Nicaraguan Government against the contract between the Costa Rican Government and the canal association. I shall forward a copy of the original in Spanish in another dispatch. I have now time for the translation only.

So far as I can learn the two Governments agree to submit their dispute to the arbitration of the President of the United States; they have not yet agreed, however, as to the form in which it shall be presented. Costa Rica insists that there shall be a new convention; Nicaragua would be satisfied with the signing of a protocol, by which the parties should agree to submit to the arbitrator's decision all questions arising from their different interpretations of the award.

In the meantime the minister for foreign affairs of Nicaragua has addressed me a communication, as per copy and translation inclosed, in which assurances are given that his Government will interpose no obstacle to the canal association in carrying out their enterprise, without prejudice, however, to the rights of Nicaragua as set forth in the protests already communicated to the company and to the Costa Rican Government. The inclosed communication from the minister for foreign affairs of Costa Rica affords the same assurances on the part of that Government. With such assurances the incident ought not to and need not interfere with any of the company's plans or purposes for carrying out its work.

I propose to leave here to-day for Guatemala, and shall probably arrive there on the 16th instant.

I have, etc.,

HENRY C. HALL.

[Inclosure 1 in No. 874.]

Señor Perez Zeledon to Señor Zavala.

MINISTRY FOR FOREIGN RELATIONS OF COSTA RICA,
San José, September 28, 1888.

MR. MINISTER: Through the medium of the worthy diplomatic representative of that Republic near this Government, Gen. Don Isidro Urtecho, I have had the honor to receive your excellency's esteemed communication, dated Managua, the 1st instant. Therein your excellency is pleased to inform this department of the receipt of three copies of the canal contract mentioned in the telegram which I addressed to your excellency on the 9th of August last past.

Your excellency is pleased to add this in reply to that telegram: You had expressed the satisfaction of your Government, founded upon the hope it entertained that in view of the mentioned contract my Government would contribute in affording facilities for carrying out a work on which the future of these countries is closely connected, and that your excellency would have nothing to say in regard to the contract, which otherwise is a matter of satisfaction to your excellency, were it not that it involves grave difficulties for carrying out the work, and implies the arrogation of the exclusive rights of Nicaragua, which invalidate the contract and make it totally ineffectual.

In support of these allegations your excellency is pleased to call the attention of my Government to the eleventh article of the award of the President of the United States, in which it is declared that the treaty of limits of 1858 does not give to the Republic of Costa Rica the right to be a party to grants which Nicaragua may make for interoceanic canals; consequently Costa Rica can not interfere in a matter to which Nicaragua alone is a party without placing herself in open opposition to the arbitrator's decision.

That allegation, in your excellency's opinion, is corroborated by the fact that the canal association owes its existence to that Republic, through the concessions and privileges it has received from it, and your excellency affirms that that fact shows that Costa Rica can not enter into arrangements with the canal company without first obtaining the consent of Nicaragua. Your excellency also invites the attention of my Government to the circumstances that the said contract contains clauses which gravely impair the rights of Nicaragua; among others, the stipulation of article 48, which concedes to Costa Rica proprietary rights in the canal which solely appertain to Nicaragua, in virtue of the eminent domain and sovereignty she has over the territory and waters through which the work has to be executed.

Your excellency admits, notwithstanding, that after the final tracing of the canal shall have been known if it should be found indispensable to occupy any part of the territory or waters of Costa Rica, in such case the Government of your excellency finds it natural that Costa Rica should require the compensation to which she would be entitled.

Your excellency concludes your important note urging my Government to be pleased to reconsider the canal contract it has entered into to the end that its action shall be restricted solely to the exercise of its rights.

The President of this Republic, to whom I have given an account of your excellency's communication, has instructed me to reply to it, as I have the honor to do.

My Government was far from foreseeing that the canal contract entered into by Costa Rica with Mr. A. G. Menocal, in which especial

care was taken not to exceed in the least the limits of the rights of the Republic defined by the treaty of the 15th of April, 1858, defined and to a certain extent confirmed by the award of the President of the United States, could give occasion to the observations on the part of the enlightened Government of your excellency, while mine on the other hand had, and is fully and intimately convinced that the contract in nowise, absolutely, affects the rights of Nicaragua, and is also convinced that in virtue of that negotiation Costa Rica has contributed, with no less interest than Nicaragua, to the realization of that great enterprise, the canalization of the Central American Isthmus; an enterprise upon which, as your excellency recognizes, the future of these countries is intimately associated. The Costa Rican contract, instead of offering difficulties for the enterprise, removes the serious obstacles which otherwise would have arisen in the execution of the work, and it removes them by all the means possessed by this Republic without in anyway implying the arrogation of any rights which do not pertain to Costa Rica.

It is certain that this Republic is not necessarily an essential and inevitable party to the canal grants of Nicaragua within her own exclusive territory, although in any case, and even in case that Costa Rican territory may not be touched, the opinion and consultative vote of Costa Rica, according to article 8 of the treaty of the 15th of April, 1858, is to be taken into account. Costa Rica in such case, after giving her consultative vote and accepting the idea or not, would never pretend to be a party to the negotiation.

But the case is entirely different when, as now happens, by authentic public documents, known to every one, the present project of the canalization of the Central American Isthmus proposes to make use of the Bay of San Juan del Norte, in which Costa Rica has the indisputable right of joint sovereignty; when it is proposed to make use of many miles of the bed of the San Juan River, in which Costa Rica has on the one hand the perpetual rights of free navigation and on the other riparian rights, and when it is also proposed to deviate the waters of that river and to give them exit to the sea through territory exclusively Nicaraguan, leaving the old channel dry, or, at least, with a much less volume of water; and when it is proposed to raise the level of the waters of the San Carlos River, exclusively Costa Rican, and to inundate an entire department of this Republic—that is, the valley of the San Carlos—over a surface of many square miles.

The plan of the company embraces also the proposition to excavate a part of the canal on the south side of the San Juan River, which belongs exclusively to Costa Rica, as also that of localizing another part of the canal in Costa Rican territory on this side of the frontier in the isthmus which unites the Great Lake and the Bay of Salinas, to all of which, should the company desire it, it has absolute liberty of action and may adopt whichever route may be found the most practicable and economical.

The enterprise may, if it be deemed expedient, adopt the Bay of Salinas, in which Costa Rica has the rights of sovereignty, for its terminus on the Pacific.

Costa Rica has granted the canal association special concessions for the construction and operation of a railway, dependent on the canal, which, in all probability, will be in Costa Rican territory exclusively. Costa Rica has made liberal concessions in regard to exemptions from customs duties and in regard to the colonization of the great tracts of land on the banks of the canal and in other places which have been

ceded to it in propriety. The association has received guaranties in regard to contracts made outside of the Republic; it has been assured of the aid and protection of the laws, and it will have force and authority for carrying out the regulations which may be issued for the use of the canal. In fine, Costa Rica has restricted her own freedom of action in binding herself not to grant new canal grants through all her territory and a railroad along the canal zone.

In a word, Costa Rica has granted the company, as regards Costa Rican territory, no less ample rights, and in some points perhaps greater than those granted by Nicaragua as regards her own territory.

To assert and to sustain, then, in view of these antecedents, all relating to the referred-to contract, that Costa Rica is not a party in the affair that she has interfered in matters not her own, and that she had no right to carry out such a contract, is equivalent to a positive denial of the sovereignty and independence of this Republic.

Costa Rica is not certainly a party to the canal grants which Nicaragua may make; neither is Nicaragua a party to those which Costa may make, but each can of itself, independently with perfect liberty of action, make such grants as it pleases, stipulating for itself whatever may be deemed a sufficient compensation for whatever of its own may be ceded.

Your excellency expresses the idea that the canal company owes its existence to that Republic in virtue of the concessions it has obtained therefrom. My Government regrets that it can not accept this idea. The canal association owes its legal existence to the purposes of the persons who compose it, and to the laws in virtue of which it was incorporated in the State of Colorado in the United States of America, and later it will be no doubt to the Congress of the United States, from which an act of incorporation has been solicited. In the opinion of my Government, Costa Rica as well as Nicaragua has dealt with an association which already had an existence; and if it could be imagined that the grant of Nicaragua has given life to the association, it would also be clear that in a like degree Costa Rica has contributed to the same effect by the concessions she has made.

The allegation that because the canal company has received privileges and concessions from Nicaragua it can not receive them at the same time and separately from Costa Rica, when imperatively required for carrying out its purposes, presupposes that the company is not in legal aptitude to negotiate and contract, with whom and when it pleases, with that freedom which is conceded to every capacitated person to whom a charter has been granted.

Nothing would so obstruct the realization of the canal project as the denial of the liberty of the company to contract without the consent of the Government of Nicaragua.

It is to be regretted that your excellency has not deemed it expedient to point out, one by one, with due precision, those points of the contract entered into by this Government, which in the opinion of your excellency gravely impair the rights of Nicaragua. The stipulation in article 48, in regard to the interest of Costa Rica in the canal in the event therein provided, could not be more just when it is taken into consideration that Costa Rica acquires such interest only in that part of the canal situate within her own territory, and that her right is limited in other cases to her joint dominion, when a section of the canal is referred to over which Costa Rica has the right of joint sovereignty, as in the Bay of Salinas and San Juan, and the perpetual right of free navigation in treating of sections when the rights of Costa Rica are not those

of sovereignty or community. Costa Rica, therefore, has stipulated in her favor that only which is within the limits of her rights established by the treaty of 1858 and confirmed by the arbitrated award.

If after the final canal surveys it should appear that only waters and territory belonging to Nicaragua shall be occupied, as, for instance, should a line be adopted from Brito to Bluefields without touching at any point the lands, waters, or rights of Costa Rica, it is evident that the Republic could not pretend to any rights in the canal, and she would certainly make no such pretension.

Your excellency considers the right of Costa Rica, even in the event of having her departments inundated, her rivers diverted, portions of her territory occupied, her ports or those in which she has a joint interest made use of and modified, her forests and quarries utilized—in fine, Costa Rican lands and waters made use of during the term of the contract—compensated by the recognition of a right to such indemnification as may be awarded whenever Costa Rica demands it, and your excellency deems that this is the true and correct interpretation of the arbitrator's award.

Your excellency will permit me to say that such interpretation is in open opposition to the letter and spirit of the award; that it is wholly inadmissible, and that in consequence Costa Rica will never permit that any use shall be made of anything belonging to her without her consent. The company, recognizing those rights of Costa Rica in part of the territory and waters through which the canal has to pass, and even for the preliminary surveys, asked, as was proper, for the permission of this Government, which was willingly granted, and later solicited and obtained the concessions to which your excellency refers. I can assure your excellency, therefore, that in this matter not a step has been taken without the previous consent of this Republic.

In conclusion, Mr. Minister, my Government can not have the satisfaction of complying with the wishes of that of your excellency in regard to a reconsideration of the contract with Señor Menocal; rather, in view of the cordial relations existing between Costa Rica and Nicaragua and the interest of an enterprise which will produce such benefits equally to both Republics, which merits their full sympathy and support, I take the liberty to beg that your excellency will on your part be pleased to take into consideration the reasons I have set forth in vindication of the rights of Costa Rica, and to the end that your enlightened Government may be convinced that the Government of this Republic, on entering into this negotiation with Señor Menocal, has restricted itself to the use of its rights.

. In case these arguments should not have the desired effect, my Government trusts that that of your excellency will designate the points of difference, so that if inadvertently or for any other cause, of course involuntary, on the part of Costa Rica, the rights of Nicaragua should be impaired, those rights may be consecrated and that harmony established which ought always to reign between the two countries in a matter which so closely affects their respective interests.

I can assure your excellency that my Government desires nothing more earnestly than the removal of every motive that may give occasion for new discussions between the two sister Republics, now that happily the old ones have been closed by award of the President of the United States, and I trust with confidence that through the sentiments of equity and elevated justice which animate the Government of your excellency and mine, a solution of the difficulties which your excellency points out in regard to the rights of Costa Rica and Nicaragua in the

matter of the canal will be reached without its affecting for one moment the sincere and imperishable friendship which unites the two peoples and the governments which rule over them.

With distinguished consideration and esteem, I have the honor to subscribe myself anew,

Your obedient servant,

P. PEREZ ZELEDON.

[Inclosure 2 in No. 874. Translation.]

Señor Zavala to Mr. Hall.

MINISTRY OF FOREIGN AFFAIRS OF NICARAGUA,
Managua, October 12, 1888.

MR. MINISTER: As the result of the conferences we have had respecting the difficulty to which the Zeledon-Menocal contract has given rise, the President has instructed me to say to you that notwithstanding the question pending with Costa Rica and the fact of having protested to the canal company against all and whatsoever the mentioned contract contains that is prejudicial to the rights and interests of the Republic, Nicaragua, on her part, will place no obstacles to the carrying out of the canal works according to her contract; on the contrary, she will render all the facilities at the disposal of the Government, desirous as it is, that the enterprise shall be carried to a successful termination.

Notwithstanding, as in justice, Nicaragua reserves her right to claim of whom it may concern, and whenever she may deem it opportune, the damages which may arise, and in conformity with the decision of the arbitrator, should Costa Rica accept the proposition to submit the difficulty to his cognizance.

With every consideration, I subscribe myself, etc.,

ADRIAN ZAVALA.

Mr. Hall to Mr. Bayard.

[Telegram.]

UNITED STATES LEGATION, CENTRAL AMERICA,
La Libertad, October 16, 1888.

Nicaragua and Costa Rica have agreed to arbitrate. The bases will be settled later. Minister for foreign affairs of Nicaragua, in a communication to me, declares that the Nicaraguan Government will comply with contract [of] the Nicaraguan Canal Association. Will assist enterprise by all means in their power without prejudice to protest against the contract with Costa Rica.

HALL.

Mr. Hall to Mr. Bayard.

No. 875.] UNITED STATES LEGATION IN CENTRAL AMERICA,
Guatemala, October 19, 1888.

SIR: With my dispatch No. 874 of the 13th instant, from Managua, I transmitted a translation of a note of the minister of foreign affairs of Costa Rica, addressed to the minister of foreign affairs of Nicaragua,

in answer to the protest of the latter against the canal contract of the Costa Rican Government with Mr. Menocal, as the representative of the Nicaraguan Canal Association. A copy and translation of this protest accompanies the writer's dispatch No. 864 of the 11th of September, 1888.

I have now the honor to inclose a copy of the original, in Spanish, of the above-mentioned note which I was unable to forward in my dispatch No. 874, referred to, and of which the present is merely a continuation.

I have, etc.,

HENRY C. HALL.

Mr. Hall to Mr. Bayard.

No. 876.]

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

Guatemala, October 22, 1888.

SIR: In connection with my dispatches Nos. 873, 874, and 875 from Managua, I have now to refer to correspondence with the minister for foreign affairs of Costa Rica, and to my telegram of the 16th instant, sent from La Libertad, briefly reporting the result of my visit to Nicaragua in pursuance of your telegraphic instruction of the 1st ultimo.

Under date of the 2d ultimo, I advised the minister for foreign affairs of Costa Rica of my proposed visit to Nicaragua, and of President Carazo's telegram relative to the contract of Costa Rica with the canal company. I stated that my departure was unavoidably postponed, and that I hoped in the meantime the two Governments would come to an amicable understanding, otherwise there was a probability that Nicaragua would annul its own contract.

The reply to this note was handed to me on my arrival at Corinto. Señor Zeledon therein expresses his conviction that the contract conflicts neither with the treaty of 1858 nor with the arbitral award; that his Government has been surprised to notice that the Government of Nicaragua thinks differently; that Costa Rica is friendly to the canal, and one reason therefor given is because the United States will have an essential and predominant part in the work. He concludes by referring to the fact that the Nicaraguan minister in Costa Rica has instructions to discuss the matter there, and that he believed that if I should extend my visit to that Republic my presence would, no doubt, be beneficial and would remove every difficulty.

In my dispatches 873 and 874 I reported the steps I had taken to bring the two Governments to an amicable understanding. I now inclose translations of a telegram from the minister for foreign affairs of Costa Rica to the Costa Rican consul-general in Nicaragua, of one from myself to the same minister, and two from the minister to me. These telegrams of the Costa Rican minister sufficiently show that, at the time to which they refer, the Costa Rican Government desired to have all pending questions settled by arbitrament. There was no difference between the two, except as to the form; Nicaragua would have been satisfied with a simple protocol, while Costa Rica insisted upon a new and formal convention.

Since my return I have received a telegram, dated the 20th instant, from which it would seem that Costa Rica is not now so favorably inclined to that mode of settlement as I was assured by Señor Jimenez, in his telegrams above referred to, upon which, in so far as Costa Rica is concerned, I based my telegram of the 16th instant to the Department.

Before leaving Nicaragua I was advised by Señor Martinez Sabral that the Guatemalan Government had offered its mediation to Nicaragua, with the object of effecting a settlement with Costa Rica. The presidents of Honduras and Salvador have given instructions of the same purport to their representatives in the Central American Congress now in session at San José, Costa Rica.

I have endeavored in my mission to Nicaragua to carry out your telegraphic instructions of the 1st ultimo faithfully, to promote good relations between Nicaragua and Costa Rica, and to avoid making any engagement. I abstained also from expressing any opinion as to the merits of the controversy between the two Governments. I used my best efforts to induce them to settle the difficulty between themselves, but I believe such a solution is quite impracticable in this case. Neither will make an advance looking to a compromise, but both are apparently ready to accept the suggestions of a friendly and impartial mediator like the United States. If I had been able to accept the invitation of Señor Zeledon to extend my visit to Costa Rica, I would have been able, no doubt, to render more positive service to both Governments.

When I arrived at Managua I found the Government much exasperated, both with Costa Rica and the canal association, to such an extent that the abrogation of the concession was seriously contemplated. I was able to convince them that they could not possibly adopt a worse course; that the present difficulties would, no doubt, sooner or later be settled in accordance with justice and equity. Señor Zavala's note of the 12th instant, accompanying my No. 874, shows that there was then a much better and more conciliatory feeling, and that the abrogation of the canal concession was no longer contemplated. It remains for Costa Rica to take some steps to bring about complete reconciliation.

I have, etc.,

HENRY C. HALL.

[Inclosure 1 in No. 876.—Confidential.]

Mr. Hall to Señor Perez Zeledon.

GUATEMALA, September 2, 1888.

MR. MINISTER: For the information of your excellency I give you in continuation a copy of a cablegram received last evening from President Carazo of Nicaragua:

I suppose you know that the Menocal-Zeledon contract is opposed to the arbitral award of President Cleveland in grave points. Important resolutions depend upon an interview with you. Can you come by next steamer?

As it is impossible for me to leave here for Nicaragua by first steamer, which will be to-morrow, my voyage is postponed for the direct steamer of the 13th instant, unless in the meantime the two Governments shall have come to an amicable understanding, as I trust they may; otherwise, in all probability, the Nicaraguans will annul their contract.

With renewed assurances of high consideration, etc.,

HENRY C. HALL.

[Inclosure 2 in No. 876—Translation—Confidential.]

Señor Perez Zeledon to Mr. Hall.

DEPARTMENT OF FOREIGN AFFAIRS OF COSTA RICA,

San José, September 20, 1888.

(Received at Corinto, Nicaragua, September 26.)

MR. MINISTER: I have had the honor to receive your very opportune communication, dated the 2d instant, in which you are pleased to

inform me of the contents of a telegram from the President of Nicaragua relative to the contract made by this Government with Mr. A. G. Menocal.

I return you sincere thanks for that communication and at the same time I can assure you that the Government of this Republic is convinced that in making that contract it has adhered in every respect to the treaty of 1858 and to the award of President Cleveland, nor has it for a moment imagined that there could be the least conflict between the contract and those documents.

For this reason my Government has noticed with profound astonishment that the Government of Nicaragua is of different opinion; it entertains the hope that upon a more careful examination of the matter that Government will recognize that justice is on the side of Costa Rica.

You are well aware how friendly this Government is to the canalization enterprise, as well because of the great benefits Costa Rica will derive from that work as because the United States will have such an essential and predominant part in the work.

General Urtecho, minister of Nicaragua in Costa Rica, has delivered to this department a note of the minister of foreign relations of that country relating to that matter, and at the same time he has stated that he has instructions to discuss it here. For the same reason my Government believes that if you were pleased to extend your visit to this Republic your presence would undoubtedly be beneficial and would remove every germ of difficulty. It is superfluous to say to you with what pleasure the visit of the worthy representative of the great Republic would be received.

I am, sir, with every consideration, your obedient servant,

P. PEREZ ZELEDÓN.

[Inclosure 3 in No. 876.—Telegram.]

Señor Jimenez to Señor Viquez.

SAN JOSÉ, COSTA RICA, *October 3, 1888.*

* * * * *

Your telegram received, in which you make known the opinion of Minister Hall in regard to the acceptance by the President of the United States in case the Governments of Costa Rica and Nicaragua should submit to his decision the recent difficulty raised by the Nicaraguan Government in regard to the canal contract. My Government hopes that this incident will terminate without the necessity for again troubling the attention of the upright and enlightened President of the United States. It trusts that the reasons set forth by Costa Rica in the answer of the 25th ultimo to the observations of the former will carry conviction to the Nicaraguan Government, but if, unfortunately, this direct mode should not lead to an amicable adjustment, Costa Rica will accept with confidence the means suggested by Minister Hall, after learning and fixing upon the points which Nicaragua proposes to submit to arbitration.

Be pleased to transmit to the minister of the United States our best thanks for his good offices.

MANUEL J. JIMENEZ.

[Inclosure 4 in No. 876.—Telegram.—Translation.]

*Mr. Hall to Señor Jimenez.*MANAGUA, *October 7, 1888.*

The differences between the two Republics turn upon the interpretation of the award, so that a simple agreement of both Governments to refer such differences to the same arbitrator will be sufficient. For the same reason I take the liberty to suggest the expediency of instructing the representative of Costa Rica in Washington to confer with the honorable the Secretary of State. Nicaragua is conformable, and disposed to communicate like instructions to its minister.

This suggestion does not conflict with the idea that the two Governments, in case of agreement, should settle the matter between themselves. * * *

HENRY C. HALL.

[Inclosure 5 in No. 876.]

*Señor Jimenez to Mr. Hall.*SAN JOSÉ, COSTA RICA, *October 10, 1888.*

* * * * *

Your telegram received. Costa Rica accepts with real satisfaction, as stated in my telegram to Viquez, the arbitration you suggest, but this Government desires that the new award which may be pronounced shall be on a perfectly legal basis. To obtain this and to avoid ulterior difficulties it is essential that there should be a new arbitration convention, which can be adjusted here whenever the Government of Nicaragua shall send instructions to its minister in this city. My Government offers to convoke an extra session of Congress for the purpose of considering the convention as soon as signed, and it hopes Nicaragua will proceed in the same way.

* * * * *

MANUEL J. JIMENEZ.

[Inclosure 6 in No. 876.—Telegram.]

*Señor Jimenez to Mr. Hall.*SAN JOSÉ, COSTA RICA, *October 12, 1888.*

* * * * *

I refer to my telegram of the 10th instant. As soon as the arbitration convention shall have been exchanged, my Government, through its legation in Washington, will take especial pleasure in soliciting, in union with Nicaragua, the acceptance by the President of the United States of the new service which will be requested of him.

* * * * *

MANUEL J. JIMENEZ.

[Inclosure 7 in No. 876.—Telegram.]

*Señor Zavala to Mr. Hall.*MANAGUA, *October 20, 1888.*

* * * * *

Minister Urtecho, in a private letter of the 11th, says the following:

It appeared to me an easy matter to refer this question to arbitration; but even that very natural solution now meets with resistance on the part of Costa Rica.

They inform me by cable from Washington that the company await the arrival of Señor Zeledon before sending out their commissioner, and will request the specification of the points of difference before soliciting explanations of the arbitrator. To-day I have repeated to Minister Urtecho my instructions to propose arbitration to the Government of Costa Rica, stating that this Government, under all the circumstances, considers it opportune to make the proposal, and that the specifications of the points of difference shall be a matter of negotiations subsequent to the official acceptance of the arbitrator.

I beg you will be pleased to communicate on this subject whatever you may think proper.

* * * * *

ADRIAN ZAVALA.

[Inclosure 8 in No. 876.—Telegram.—Translation.]

*Señor Martinez Sobral to Mr. Hall.*GUATEMALA, *October 12, 1888.*

(Received at Corinto, October 13, 1888.)

I have the honor to communicate to you the telegram which I have this day addressed to his excellency the minister for foreign affairs of that Republic (Nicaragua), as follows:

My Government has been pained to learn that differences have arisen between Nicaragua and Costa Rica, in connection with the interoceanic canal contract made with the last-named Republic. The colossal enterprise, of so much interest to Nicaragua, especially, and likewise to Costa Rica, Central America, and to the commerce and navigation in general, should be undertaken freed of all obstacles between Nicaragua and Costa Rica that could embarrass its realization. There can not and ought not to be any substantial differences, and the patriotism of both countries ought to bring about an acceptable solution.

In regard to the points upon which differences of opinion may have arisen, if it should not be possible to reach a satisfactory agreement, my Government offers its mediation in the sense that it should be decided by the Central American Congress now in session at San José; but if that should not be deemed expedient, my Government proposes its mediation, to the end that these new differences be submitted to his excellency the President of the United States, who having pronounced the arbitral decision in the principal question, it would be proper that he should decide those which are subordinate.

I beg your excellency to be pleased to consider this step as a demonstration of the fraternal sentiments of Guatemala, and to accept this friendly mediation as natural and proper of a sister Republic. I subscribe myself your obedient servant,

E. MARTINEZ SOBRAL.

With assurances of great esteem and consideration, I am, etc.,

E. MARTINEZ SOBRAL.

Mr. Adee to Mr. Hall.

No. 637.]

DEPARTMENT OF STATE,
Washington, November 5, 1888.

SIR: I have received your No. 874, of the 13th ultimo, in regard to the new difficulties between Nicaragua and Costa Rica, arising out of the contract between the latter and the Nicaraguan Canal Association.

Your dispatch has been read with attention. No occasion, however, appears for any comments on the position of either Government in advance of an agreement between them as to the bases and form of supplementary arbitration.

I am, etc.,

ALVEY A. ADEE,
Acting Secretary.

Mr. Bayard to Mr. Hall.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 13, 1888.

The President learns with gratification that Nicaragua and Costa Rica have agreed to separate convention.

BAYARD.

Mr. Hall to Mr. Bayard.

No. 890.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, November 15, 1888.

SIR: With reference to my dispatch No. 876 of the 22d ultimo, and to your instructions Nos. 629, 630, and 632, of the 6th, 12th, and 23d ultimo, respectively, I have the honor to inclose copies of two telegrams, of the 8th and 9th instant, from President Carazo, from which it appears that the difficulty between Nicaragua and Costa Rica, arising from the so-called Zeledon-Menocal canal contract, will be adjusted by arbitration, and with that object the two Governments have agreed to conclude another formal convention.

In consonance with these telegrams I addressed you, on the 10th instant, the following:

Referring to my dispatch 876, Nicaragua and Costa Rica have agreed to conclude a separate convention in order to settle difficulties. * * *

On the 13th instant I received your reply, as follows:

The President learns with gratification that Nicaragua and Costa Rica have agreed to conclude [a] separate convention,

which I shall communicate to both Governments.

President Carazo's telegrams confirm what I have already communicated to you, that both were in accord as to arbitration. The difference between them was in regard to the form. Nicaragua desired to settle the dispute in the speediest manner possible. Costa Rica desired a new arbitration convention, and now it appears that Nicaragua has acceded to Costa Rica.

I have, etc.,

HENRY C. HALL.

[Inclosure in No. 890.—Telegrams.—Translation.]

President Carazo to Mr. Hall.

MANAGUA, November 8, 1888.

* * * * *

With reference to the Zeledon-Menocal contract, it is proposed by Costa Rica to conclude an arbitration convention, subject to the ratification of the respective legislatures. It has been accepted by us and with that object the requisite instructions have been sent to-day to Minister Urtecho. * * *

(Senor Urtecho is the representative of Nicaragua in the Central American Congress now being held at San José, Costa Rica.)

MANAGUA, November 9, 1888.

* * * * *

I inform you that it has been agreed to conclude another arbitration convention, to submit to the decision of the arbitrator the new difficulty caused by the Zeledon-Menocal contract. This convention will be discussed by the Chambers when concluded. * * *

Mr. Hall to Mr. Bayard.

No. 892.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, November 15, 1888.

SIR: I have received your instruction No. 630 of the 12th ultimo, inclosing dispatch No. 183 of the 14th of September last, from Mr. Brown, consul at San Juan del Norte, in which he reports that the concession recently granted by Costa Rica to the Nicaraguan Canal Association excites unfriendly criticism in Nicaragua.

Mr. Brown's dispatch is a clear and correct statement in regard to the public sentiment prevailing throughout Nicaragua on the date it was written and as also prevailed when I reached Managua, a fortnight later, in regard to that concession. When I left Nicaragua, on the 16th ultimo, the excitement had greatly subsided and at the present time, I have no doubt, it has in a great measure disappeared, as you will have learned from my dispatches, Nos. 874, 876, and 890, the latter of this date reporting the agreement of the two Governments to settle their difficulties by arbitration, and with that object to conclude a new convention.

The good offices I was able to render both Governments under your instructions of the 1st September last, have mainly contributed to promote this harmony.

I have, etc.,

HENRY C. HALL.

Mr. Hall to Mr. Bayard.

No. 895.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, November 22, 1888.

SIR: With reference to my dispatches Nos. 876, 890, and 892 of the 22d ultimo, 15th and 17th instant, respectively, I have the honor to

transmit herewith an extract and translation of the letter from the minister for foreign affairs of Costa Rica, confirming President Carazo's telegrams, accompanying my No. 890, to the effect that the difficulty between that Republic and Nicaragua, arising from the Zeledon-Menocal canal concession and contract, will be adjusted by arbitration, and furthermore expressing the thanks of his Government for the good offices rendered, in pursuance with your instructions, in promoting harmony between Nicaragua and Costa Rica.

I have, etc.,

HENRY C. HALL.

NOVEMBER 26, 1888.

P. S.—Since writing the foregoing dispatch I have received a personal letter from Señor Zavala, minister for foreign affairs for Nicaragua, in which he also expresses the thanks of his Government for the good offices rendered to that Republic in promoting harmony with Costa Rica. I inclose an extract and translation.

H. C. HALL.

[Inclosure 1 in No. 895.—Translation.]

Señor Jimenez to Mr. Hall.

DEPARTMENT FOREIGN RELATIONS, COSTA RICA,
San José, November 11, 1888.

MR. MINISTER:

* * * * *

My Government thanks you, as is your due, for all the efforts you have made and for all the pains you have taken with the view that the relations between this Republic and that of Nicaragua shall be maintained in perfect harmony; and I can assure you that your efforts have not been lost, inasmuch as owing to them we are now in the way of reaching a peaceful solution of the pending question by submitting it to the arbitrament of the worthy President of the United States.

* * * * *

I am confident that the Nicaragua legislators, animated by patriotism and love of peace, as it is to be hoped they are, will create no obstacles to a peaceful termination of this new difficulty.

With distinguished consideration, I subscribe myself,

Your obedient servant,

MANUEL JIMENEZ.

Señor Zavala to Mr. Hall.

[Inclosure 2 in No. 895.—Personal.—Translation.]

REPUBLIC OF NICARAGUA, MANAGUA,
November 23, 1888.

ESTEEMED MR. MINISTER:

* * * * *

I have taken note of your ideas in regard to the question with Costa Rica arising from the Zeledon-Menocal contract, and I have to manifest to you once more the recognition of this Government, and mine espec-

ally, for your good offices, so timely and efficient, that the difficulty should have a satisfactory and harmonious solution.

Minister Urtecho has already received from this Government the requisite instructions to conclude an arbitration convention with that of Costa Rica, to be submitted to the ratification of the next legislature. He has informed me that a commencement of those negotiations would be made, and from one day to another I expect to learn the result. As soon as I have information in regard to the arrangement I will inform you by telegraph and afterwards in detail by mail.

* * * * *

Without else to add, I have the pleasure to subscribe myself, with every consideration, etc.,

ADRIAN ZAVALA.

President Carazo to Mr. Bayard.

[Telegram.—Translation.]

MANAGUA, *December 1, 1888.* (Received December 1.)

Costa Rica accepts arbitration in the canal question, but preliminary negotiations may be impeded unless an arbitrator intervenes. I ask you to instruct Minister Hall to go to Costa Rica and interpose his good offices. I shall be obliged to you for this kindness.

CARAZO.

Mr. Bayard to Mr. Hall.

No. 649.]

DEPARTMENT OF STATE,

Washington, December 3, 1888.

SIR: The Nicaraguan minister, Dr. Guzmán, visited me to-day and said that he had received a cablegram from his Government expressing a very strong desire that you would go to Costa Rica and assist in the adjustment of the agreement between Nicaragua and Costa Rica respecting the Nicaraguan Canal. I had myself received late on the evening of the 1st instant a telegram from President Carazo, dated at Managua, which, translated, reads as follows:

Costa Rica accepts arbitration in the canal question, but preliminary negotiations may be impeded unless an arbitrator intervenes. I ask you to instruct Minister Hall to go to Costa Rica and interpose his good offices. I shall be obliged to you for this kindness.

I read the foregoing communication to Dr. Guzmán and then told him that it would impair the value of Mr. Hall's action if he went to Costa Rica without the solicitation of that Government, and that to make his intervention and good offices useful both the parties must apply to him to use them. Upon Dr. Guzmán's repeating urgently the request of President Carazo, with renewed expression of the desire of his Government that all should be done that properly could be done to facilitate the final adjustment of this question, I told him that I would telegraph to you to the desired effect that upon application of both the parties you should go to Costa Rica and, by the circumstances under which your good offices would be tendered, signify your disinterestedness between the two Governments. I accordingly sent to you, at 1.30 p. m. to-day, a telegram, as follows:

In compliance with urgent request of Nicaraguan Government, you will visit Costa Rica when requested by that Government to render good offices in the arbitration of the canal question.

I did not regard it as necessary to add to my dispatch any reference to other pending questions with Costa Rica, presuming that you would not fail to take advantage of this opportune visit to the capital of that Republic to manifest your interest in the matters which have been heretofore the subject of correspondence.

I am, etc.,

T. F. BAYARD.

Mr. Hall to Mr. Bayard.

No. 902.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, December 4, 1888.

SIR: I have the honor to acknowledge the receipt of your telegram of the 3d instant as follows:

In compliance with urgent request of the Nicaraguan Government, you will visit Costa Rica when requested by that Government and lend your good offices in the arbitration of the canal question.

From the wording of the foregoing, I understand that I am to visit Costa Rica when requested by the Nicaraguan Government; if I am not correct, I would respectfully suggest a telegraphic instruction to that effect. I shall be glad to carry out your instructions in either case.

I have, etc.,

HENRY C. HALL.

Mr. Bayard to Mr. Hall.

No. 654.]

DEPARTMENT OF STATE,
Washington, December 10, 1888.

SIR: I have to acknowledge the receipt of your dispatch, No. 892, of the 15th ultimo, in regard to the unfriendly criticism excited throughout Nicaragua in view of the recent contract between the Nicaraguan Canal Association and Costa Rica, and to express the Department's satisfaction that the excitement in question has apparently greatly subsided.

I am, etc.,

T. F. BAYARD.

Mr. Bayard to Mr. Hall.

[Telegram.—Cipher.]

DEPARTMENT OF STATE,
Washington, December 28, 1888.

Exert good offices when requested by both Governments.

BAYARD.

Mr. Hall to Mr. Bayard.

No. 911.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, December 29, 1888.

SIR: With reference to your instruction No. 649 of the 3d and to my dispatch No. 902 of the 3d instant, relative to the request of the

Government of Nicaragua that I should go to Costa Rica and assist in the adjustment of the agreement between the two Governments respecting the Zeledon-Menocal contract, I have the honor to acknowledge the receipt of your telegram of yesterday, as follows:

Exert good offices when requested by both Governments.

As yet my presence in Costa Rica has not been solicited by either Government. It is reported here that Costa Rica has accepted the proffered mediation of Guatemala, Salvador, and Honduras. I have no information as to the acceptance of the same proffered mediation by the Government of Nicaragua.

I have, etc.,

HENRY C. HALL.

Mr. Hall to Mr. Bayard.

[Telegram.—Cipher.]

UNITED STATES LEGATION IN CENTRAL AMERICA,
Guatemala, January 16, 1889.

Convention between Nicaragua and Costa Rica to arbitrate questions affecting the Nicaraguan Canal was signed 10th.

The President of the United States is named as the arbitrator.

HALL.

Mr. Hall to Mr. Bayard.

No. 918.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, January 18, 1889.

SIR: In connection with my dispatch No. 895 of the 22d November last, and previous correspondence relating to the new difficulties between Nicaragua and Costa Rica, growing out of the contract of the latter with the Nicaragua Canal Association, I had the honor to address you on the 16th instant the following cipher telegram:

A convention between Nicaragua and Costa Rica to arbitrate questions affecting the Nicaragua Canal, signed [on the] 10th, the President of the United States is named arbitrator.

This information was communicated to me by the Nicaraguan minister for foreign affairs on the 14th instant, in telegram as follows:

On the 10th instant the arbitration convention was concluded upon terms satisfactory to both parties. It is gratifying to so inform you, in recognition of the interest you have manifested in the preservation of harmony between these countries.

On the 16th instant, in answer to my inquiry, the President of Nicaragua informed me by telegram that the arbitrator named in the convention is the President of the United States.

I was gratified to receive your telegram of to-day's date, as follows:

Very satisfactory. Must await details.

I shall forward a copy of the convention when it reaches me, as promised by Minister Zavala.

I have, etc.,

HENRY C. HALL.

Mr. Hall to Mr. Bayard.

No. 920.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, January 19, 1889.

SIR: With reference to my dispatches Nos. 918 and 919, I have the honor to inclose copies and translations of the telegrams exchanged between the ministers for foreign affairs of Costa Rica, Nicaragua, and Guatemala on the occasion of the signing of the convention of the 10th instant between the two first-named Republics for the settlement of their pending difficulties by the arbitrament of the President of the United States.

Telegrams of the same tenor were exchanged with the Governments of Honduras and Salvador, affording unequivocal proofs of the cordial relations now existing between all of the States.

I have, etc.,

HENRY C. HALL.

[Inclosure in No. 920.—From El Guatemalteco of January 15, 1889.—Translation.]

TELEGRAMS BETWEEN THE MINISTERS FOR FOREIGN AFFAIRS OF GUATEMALA, NICARAGUA, AND COSTA RICA RELATIVE TO THE ARBITRATION CONVENTION BETWEEN THE TWO LAST-NAMED STATES, SIGNED ON THE 10TH JANUARY, 1889.

Señor Jiménez to Señor Sobral.

SAN JOSÉ, COSTA RICA, January 11, 1889.

The arbitration convention was signed yesterday by the plenipotentiaries of Costa Rica and Nicaragua and, in the capacity of mediators, by the plenipotentiaries of Guatemala, Honduras, and Salvador.

In informing you of this gratifying event, so in consonance with the fraternal sentiments by which these five States are to-day inspired, permit me, your excellency, to again express to your Government the gratitude of mine for its efficient mediation.

* * * * *

MANUEL J. JIMENEZ.

Señor Zavala to Señor Sobral.

MANAGUA, January 14, 1889.

I have the honor to inform your excellency that on the 10th instant arbitration convention between Nicaragua and Costa Rica was signed, with the mediation of the honorable members of the Central American Diet.

A. ZAVALA.

Señor Sobral to Señores Jimenez and Zavala.

GUATEMALA, January 14, 1889.

I had the honor to receive your esteemed telegrams, by which you announce that on the previous day the arbitration convention, relative to the difficulties arising out of the Zeledon-Menocal contract, had been signed by the plenipotentiaries of Costa Rica and Nicaragua, and by those of Guatemala, Honduras, and Salvador as mediators.

My Government is gratified that this important matter has had such a satisfactory termination. It establishes a new and enlightened precedent for the settlement, by friendly methods, of the differences which may arise between members of the Central American family.

E. MARTINEZ SOBRAL.

Mr. Hall to Mr. Bayard.

No. 923.]

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

Guatemala, January 28, 1889.

SIR: With reference to my dispatches numbered 918 and 920 of the 18th and 19th instant, I inclose a translated abstract of the convention signed on the 10th instant at San José, Costa Rica, between Nicaragua and the mentioned Republic, with the mediation of the delegates of Honduras, Salvador, and Guatemala to the Central American Congress.

By this convention the Governments of Nicaragua and Costa Rica agree to submit the questions between them, arising out of the Zeledon-Menocal contract with the Nicaragua Canal Association, to the arbitrament of the President of the United States. The ratifications of the convention are to be exchanged on the 30th of April next at the latest.

I have not yet received an authentic copy of this convention; the inclosed abstract is made from a copy of the protocol of the six conferences held at San José, Costa Rica, on the 14th and 28th November and 16th and 17th December last and the 8th and 10th instant.

I have, etc.,

HENRY C. HALL.

[Inclosure in No. 923.—Translation.]

Abstract of the Arbitration Convention between Nicaragua and Costa Rica, signed at San José, Costa Rica, the 10th day of January, 1889.

ARTICLE 1. The question suscitated by the Government of Nicaragua against the Government of Costa Rica, by reason of the so-called Zeledon-Menocal contract, of the 31st July last past, shall be submitted to the arbitrament of His Excellency the President of the United States.

ARTICLE 2. The arbitrator shall decide whether Costa Rica, in conformity with the treaty of 1858 and the award declaring it to be valid, has had the right to conclude the Zeledon-Menocal contract.

The arbitrator shall designate the article or articles in which Costa Rica shall have overpassed her rights to the prejudice of those of Nicaragua and will indicate, in any case, the sense in which such rights shall have been overpassed.

ARTICLE 3. The Zeledon-Menocal contract referred to shall be considered null should the award deny to Costa Rica, absolutely, the right to have made it. This declaration shall establish a precedent.

The articles of the contract respecting which the award shall declare that Costa Rica has overpassed her rights to the prejudice of Nicaragua shall be considered null.

On the other hand, those articles which shall not have been impugned by the arbitrator shall establish precedents between Costa Rica and Nicaragua in the case of the nonexecution of the contract.

ARTICLE 4. Within thirty days after the exchange of the ratifications of the present convention the contracting Governments shall solicit the acceptance of the arbitrator.

ARTICLE 5. If the arbitrator named should not accept, the two Governments shall agree to name another within ninety days, counting from the date upon which the President of the United States shall give notice to the Governments or to their representatives in Washington of his nonacceptance.

ARTICLE 6. The proceedings and terms to which the decisions of the arbitrator are limited shall be the following:

(a) Within thirty days following the notification to the parties of the arbitrator's acceptance, the parties shall present to them their allegations and documents in the Spanish language. If the arbitrator should be His Excellency the President of the United States of America, translations to English shall accompany them.

(b) The arbitrator shall communicate to the representative of each Government the allegations of the opposing party within eight days after their presentation.

(c) Each Government shall have the right to reply to the allegation of the opposing party within ninety days following that upon which it shall have been communicated.

(d) The arbitrator's decision to be held valid must be pronounced within twenty days, counting from the date upon which the term allowed for the answers to allegations shall have expired, whether the same shall or shall not have been presented.

(e) The arbitrator may delegate his powers for the conduct of the proceedings and the study of the question, but he shall intervene directly in the pronouncement of the final decision.

ARTICLE 7. The decision of the arbitrator, whichever it may be, shall be held as a perfect, obligatory, and perpetual treaty between the high contracting parties, and no recourse whatever shall be admitted.

ARTICLE 8. This convention shall be subject, in Costa Rica and Nicaragua, to the constitutional ratifications and the exchange of these shall take place in this city of San José or in Managua at the latest on the 30th day of April next, 1889.

In faith of which they sign and affix their respective seals to two copies, signed and sealed also by the plenipotentiaries of the mediatory Republics.

* * * * *

Mr. Hall to Mr. Bayard.

No. 932.]

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

Guatemala, February 9, 1889.

SIR: With my dispatch No. 923 of the 28th ultimo I had the honor to transmit an abstract of the recent convention between Nicaragua and Costa Rica, by which they agree to submit to the arbitrament of the President of the United States the new questions arising from the Zeledon-Menocal contract between the Costa Rican Government and the Nicaragua Canal Association.

As mentioned in that dispatch, the abstract was taken from a manuscript copy of the protocol of the conferences held at San José, Costa Rica, the representatives of Guatemala, Honduras, and Salvador acting as mediators between Nicaragua and Costa Rica. I have since received the text of the convention, as published in the *La Gaceta*, the official newspaper of the Costa Rican Government, of the 28th and the *Gaceta Oficial* of Nicaragua of the 30th ultimo, and now inclose a copy of the latter, with a translation previously made from the Costa Rican copy.

Although of the same purport, the texts of the abstract and convention differ in some essential points. For instance, in the fifth paragraph of article 6, as stated in the abstract, the time allowed for the arbitrator's decision is twenty days; in the official copies of the convention, the fifth and last paragraph of the same article stipulates that the arbitrator's decision, to be valid, must be rendered within one hundred and twenty days, counting from the date upon which the term allowed for the answers to the allegations shall have expired.

The sixth paragraph of article 6, as it appears in the abstract, is omitted in the official copies.

I inclose a copy and translation of a note of the minister for foreign affairs of Nicaragua, from which it appears that the convention is perfectly satisfactory to his Government.

I have, etc.,

HENRY C. HALL.

[Inclosure 2 in No. 932.—From the *La Gaceta* of Costa Rica of the 28th January, 1889—Translation.]

Arbitration convention concluded between the Republics of Costa Rica and Nicaragua with the mediation of the Republics of Guatemala, Honduras, and Salvador.

The Governments of the Republics of Costa Rica and Nicaragua, with the object of terminating in a cordial manner the question which has recently arisen in consequence of the Government of Costa Rica having concluded a contract with the

Nicaragua Canal Association for the excavation of the interoceanic canal, have appointed their plenipotentiaries as follows:

The Government of Costa Rica, His Excellency Señor Don Manuel J. Jimenez, secretary for foreign relations, and the Government of Nicaragua, His Excellency General Don Isidro Urtecho, envoy extraordinary and minister plenipotentiary near the Government of Costa Rica and minister plenipotentiary to the Central American Congress:

Who, having exchanged their full powers, and having conferred with each other and having absolutely disagreed, they have had recourse to the mediation opportunely offered and accepted of the Republics of Guatemala, Honduras, and Salvador, represented, respectively, by their envoys extraordinary and ministers plenipotentiary near the Costa Rican Government, and ministers plenipotentiary to the Central American Congress, their excellencies the Licentiate Señor Don José Farfan, jr., the Licentiate Señor Don Jerónimo Zelaya, minister for foreign affairs of Honduras, and Dr. Don Francisco E. Galindo, envoy extraordinary and minister plenipotentiary of Salvador near the Government of Nicaragua.

And the conferences having continued, with the intervention of the mediators, whose credentials were also recognized, the plenipotentiaries of Costa Rica and Nicaragua have agreed to the following:

ARTICLE 1. The question which has been suscitated by the Government of Nicaragua against the Government of Costa Rica by reason of the latter having concluded with the Nicaragua Canal Association the so-called Zeledon-Menocal contract, bearing date of the 31st July of last year, shall be submitted to the arbitrament of his excellency the President of the United States of America.

ARTICLE 2. The arbitrator shall decide whether Costa Rica, in conformity with the boundary treaty with Nicaragua, concluded on the 15th of April, 1858, and the award declaring it to be valid dictated by his excellency the President of the United States of the 22d of March of the past year, had or had not the right to conclude the Zeledon-Menocal contract?

In case it should be decided that Costa Rica had the right to conclude the referred to contract, the arbitrator shall decide—

Whether the rights of Costa Rica, recognized by the boundary treaty and the award already mentioned, were or were not exceeded by the Costa Rican Government, to the prejudice of the rights of Nicaragua, in contracting with the Nicaraguan Canal Association, any one or more of the articles comprised in the Zeledon-Menocal contract.

The arbitrator shall designate the article or articles in which Costa Rica may have exceeded her rights to the prejudice of those of Nicaragua, and in every case he shall point out the sense in which such rights have been exceeded.

ARTICLE 3. The Zeledon-Menocal contract referred to shall be considered null should the award deny to Costa Rica absolutely the right to have made it.

The articles of the contract respecting which the award shall declare that Costa Rica exceeded her rights to the prejudice of Nicaragua shall be considered null.

The declarations of the arbitrator against the validity of the contract or against the validity of any one or more of its articles shall establish precedents between Costa Rica and Nicaragua.

On the other hand, the declaration of the validity of the contract and the articles, which shall not be impugned by the arbitrator, shall likewise establish precedents between Costa Rica and Nicaragua in case of the nonexecution of the contract.

ARTICLE 4. Within thirty days after the exchange of the ratifications of the present convention the contracting Governments shall solicit the arbitrator's acceptance.

ARTICLE 5. If the arbitrator named should not be able to discharge the functions thereof both Governments shall agree upon the appointment of another within ninety days, counting from the day upon which the President of the United States of America shall give notice to both Governments, or to their representatives in Washington, of his nonacceptance.

ARTICLE 6. The proceedings and terms to which the decisions of the arbitrator must be restricted shall be the following:

(a) Within thirty days following the date upon which the parties shall have been notified of the arbitrator's acceptance they shall present to him their allegations and documents in the Spanish language, and may accompany therewith the respective translations to the English language.

(b) The arbitrator shall communicate to the representatives of each Government the allegations of the opposing party within eight days after their presentation.

(c) Each Government shall have the right to answer the allegations of the opposing party within ninety days after the date upon which the respective allegation shall have been communicated, and documents may also be presented with the answers.

(d) The arbitrator's decision, to be held valid, must be pronounced within one hundred and twenty days following the date upon which the term for the answers.

to the allegations shall have expired, whether the same shall or shall not have been presented.

ARTICLE 7. The decision of the arbitrator, whichever it may be, shall be held as a perfect, obligatory, and perpetual treaty between the high contracting parties, and no recourse whatever shall be admitted.

ARTICLE 8. This convention shall be subject in Costa Rica and Nicaragua to the constitutional ratifications, and the exchange of these shall take place in the cities of San José de Costa Rica or Managua, at the latest, on the 30th day of April of the present year.

In faith of which they sign and affix their respective seals to two originals; also signed and sealed by their excellencies the envoys extraordinary and ministers plenipotentiary of the mediating Republics.

Done in the city of San José de Costa Rica, the 10th day of January, 1889, and the seventy-eighth of the independence of Central America.

MANUEL J. JIMENEZ.
JOSÉ FARFAN, Jr.
ISIDRO URTECHO.
JERÓNIMO ZELAYA.
FRANCISCO E. GALINDO.

NATIONAL PALACE,
San José, January 14, 1889.

The foregoing arbitration convention being in conformity with the instructions given to the plenipotentiary of Costa Rica, let it be approved in all its parts and brought to the knowledge of the constitutional Congress.

A. DE J. SOTO.

In the presence of the secretary for foreign relations.

MAURO FERNANDEZ,
Secretary of Finance and Commerce.

[Inclosure 4 in No. 932.—Translation.]

Señor Zavala to Mr. Hall.

MINISTRY FOR FOREIGN AFFAIRS OF NICARAGUA,
Guatemala, February 4, 1889.

Mr. MINISTER: * * * I have the honor to send you, inclosed herewith, a copy of the arbitration convention between this Republic and Costa Rica, concluded at San José with the friendly intervention of the delegates to the Central American Congress.

The convention, in my judgment, is perfectly equitable; it establishes the question clearly and tends to avert any new difficulties which might arise in future to embarrass the great work of the canal through our territory.

The designated arbitrator is His Excellency the President of the United States, whose acceptance Nicaragua can not otherwise than count upon.

Once more I renew to you my special thanks for your interest in the just solution of our questions.

With distinguished consideration, etc.,

ADRIAN ZAVALA.

Mr. Bayard to Mr. Hall.

No. 685.]

DEPARTMENT OF STATE,
Washington, February 27, 1889.

SIR: I have received your dispatch of the 28th ultimo, No. 923, inclosing an abstract of the convention between Nicaragua and Costa Rica,

signed at San José January 10, 1889, submitting to the arbitration of the President of the United States the questions arising out of the contract between Costa Rica and the Nicaraguan Canal Association.

You will inform the Department immediately of the date of the exchange of ratifications of the convention in question.

I am, etc.,

T. F. BAYARD.

Mr. Hosmer to Mr. Blaine.

No. 947.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, March 25, 1889.

SIR: Referring to your instructions No. 685, of February 27, 1889, in which you request immediately the date of the exchange of ratifications of the convention between Nicaragua and Costa Rica, signed at San José, January 10, 1889, submitting to the arbitration of the President of the United States the question arising out of the contract between Costa Rica and the Nicaraguan Canal Association, I have the honor to inclose to you herein a copy of a note from Minister Zavala, undated, but received at this legation on the 22d instant, wherein it declares that the Nicaraguan Congress has not, as yet, ratified the convention of arbitration with Costa Rica.

It further appears from Señor Zavala's note that there is serious opposition on the part of several representatives to the National Congress who do not approve of the convention and who are laboring to nullify it, while the Government has confidence that this opposition will be eventually overcome and the convention duly ratified.

It is evident, however, that there is an unfortunate lack of harmony between the peoples of the two adjoining Republics, which prevents the respective representatives in their national assemblies from uniting in a common purpose to allay rivalries and jealousies in regard to the grand work which, if successfully completed, can not fail to prove of mutual advantage and value.

Until a peaceful union of all the Central American States is established it seems problematical if the jealousies and rivalries between the bordering republics, which afford right of way to the projected canal over their territories, can be adjusted to a permanently amicable settlement, however much the executives of their respective governments may desire or attempt to carry through so laudable a purpose.

I have, etc.,

JAMES R. HOSMER,
Chargé d'Affaires ad interim.

[Inclosure in No. 947.—Translation.]

Señor Zavala to Mr. Hall.

MINISTRY OF FOREIGN RELATIONS OF NICARAGUA,
Managua, March —, 1889. (Received March 22.)

MR. MINISTER: I acknowledge the receipt of your attentive communication of the 1st instant, in which you are pleased to transcribe the telegrams directed to your excellency by this office under date of the 23d and 27th of last February.

As yet Congress has not ratified the convention of arbitration with Costa Rica, and there is plenty of work on the part of several representatives who do not approve, but the Government is confident that in the end it will be ratified, in consideration of the grave consequences which would result from its disapproval.

I am, etc.,

ADRIAN ZAVALA.

Mr. Blaine to Mr. Mizner.

No. 14.]

DEPARTMENT OF STATE,
Washington, June 12, 1889.

SIR: While I have no special instruction to give you, and must leave your action somewhat to your own discretion, I consider it advisable that you should visit the capitals of all the Central American States to which you are generally accredited.

And, for reasons which I will briefly state, I desire that you should go to Managua, the capital of Nicaragua, just as soon as you can dispose of any especial business with which you may be occupied in Guatemala.

You are aware that Nicaragua and Costa Rica referred to the arbitration of the President certain questions as to the validity of the treaty of limits of 1858 celebrated between these two Republics. You will see by the documents inclosed* that the President decided in favor of the validity of the treaty, and gave an authoritative construction of some of its clauses.

Since this decision other questions have arisen under the same treaty, and as the Department is informed, these have, by treaty arrangement, been also referred to the President for decision. For reasons to which further reference is at present unnecessary, the ratification of this treaty has been postponed until the last of June.

In the meantime certain questions in reference to the canal are pending between Nicaragua and Costa Rica, which, looking to the probable construction of the canal, are of great interest to the Government of the United States.

The minister of Nicaragua has also submitted to my consideration certain communications between the Governments of Nicaragua and England in reference to the Mosquito territory and the port of San Juan.

As it will probably be my duty to instruct you on these questions, I think it would be preferable that before receiving them you should become somewhat familiar both with the policy of Nicaragua and the cabinet charged with the conduct of her affairs.

I would desire, therefore, if consistent with your duties in Guatemala, that you should visit Managua in July, at which time I can determine whether a further residence there will be necessary.

As the communication between Managua and the capital of Costa Rica is not difficult, you might, after receiving instructions, spend a week there, in courtesy to the Costa Rican Government.

You will inform me at once whether you can conveniently leave Guatemala temporarily, and when, in fulfillment of the wishes expressed above.

I am, etc.,

JAMES G. BLAINE.

* Not printed here.

Mr. Mizner to Mr. Blaine.

[Telegram.]

GUATEMALA, *July 18, 1889.*

Unofficial telegram from Costa Rica says apprehensions of war with Nicaragua, suggesting our intervention. Guatemala tenders good offices both Republics, giving copies to me, asking our cooperation. Instruct by cable here.

MIZNER.

Mr. Mizner to Mr. Blaine.

No. 22.]

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

Guatemala, July 23, 1889. (Received August 9.)

SIR: I have the honor to confirm my cable to you of the 18th instant, the true reading of which is as follows:

Secretary BLAINE, *Washington:*

Unofficial telegram from Costa Rica says, apprehensions of war with Nicaragua, suggesting our intervention. Guatemala tenders good offices, both Republics giving copies to me asking our cooperation. Instruct by cable here.

MIZNER.

This cable dispatch was founded upon a telegram received by me on the evening of the 17th, which read as follows:

SAN JOSÉ, COSTA RICA.

Minister MIZNER:

War threatened between Costa Rica and Nicaragua. Amicable intervention * * *
United States may avert danger.

WINGFIELD, *Consul.*

On the following day the subsecretary of foreign relations, Señor Manuel Montúfar, called at this legation by request of Minister Sobral, who was at the time confined to the house by illness, and exhibited to me the official press copies of the telegrams sent by the Guatemalan Government to the Governments of Nicaragua and Costa Rica, tendering to them the good offices of that Government in the matter of amicably arranging any and all differences that may exist between the Republics of Nicaragua and Costa Rica on the subject of boundaries, and the construction of the so-called Nicaragua canal, and requesting me, as United States minister, to join with Guatemala in its good offices, stating that the United States are all powerful in Central American matters, and that they can control Nicaragua and Costa Rica, inducing them to do all that is necessary to insure the prompt completion of the canal. Mr. Montúfar stated also that the United States could, with a word, secure the union of the five Republics.

My reply was that my Government was earnestly interested in the peace and prosperity of all Central America, and that I intended to visit Nicaragua and Costa Rica about the 2d of next month, and would do all that I could to aid Guatemala in its good offices. I also stated that my people and my Government would be pleased to see and recognize the firm and permanent union of the Central American States.

On the same day I received a note from Minister Sobral upon the same subject, of which the inclosed is a copy, with the translation thereof.

I replied briefly, as will appear in the copy of my note to Minister Sobral, which I have the honor also to inclose to you herein. Following this interchange of notes I called upon the minister for foreign affairs and enjoyed a most cordial interview with him, and in which he reiterated in strong language the powerful influence of our Government over Central American affairs, and strenuously urging our mediatorial good offices toward an amicable adjustment of the unhappy differences between the contiguous Republics of Nicaragua and Costa Rica, deprecating the cause that threatened to delay the construction of the important work which, when completed, must prove of incalculable value to the commercial world.

Upon these statements and circumstances I felt justified in cabling to you, as above recited.

My departure for Nicaragua has been delayed until the through steamer of the 29th of this month, due at Corinto on the 1st proximo. The destruction of one of the steamers of the Pacific Mail, the *Granada*, by running ashore on the Mexican coast, caused a change in the itinerary and consequent alteration in the time schedule of the through boats.

I have, etc.,

LANSING B. MIZNER.

[Inclosure 1 in No. 22.—Translation.]

Señor Sobral to Mr. Mizner.

NATIONAL PALACE, *Guatemala, July 17, 1889.*

EXCELLENT SIR: On the 15th of this month I forwarded to the minister of foreign relations of Salvador and Honduras a telegram which says:

To-day I have forwarded to their excellencies the ministers of Nicaragua and Costa Rica the following telegram:

In the telegraphic message which I had the honor to address to your excellency in the early days of this month it was manifested that the Government of Guatemala rested under the pleasing hope that new proceedings of fraternal friendship had terminated the difficulties which had existed between Nicaragua and Costa Rica on the subject of the canal contract lastly celebrated, the natural interest inspired in relation to the affairs and welfare of Central America and the desire that the grand work of the canal shall meet with no impediment caused my Government to offer its friendly mediation to the end that the said two Republics might submit their differences to the arbitration and decision of His Excellency the President of the United States of America. The convention of arbitration celebrated in San José, Costa Rica, January 10 of this year, not having been exchanged by reason of objections that have been presented by one or the other of the high contracting parties—without advancing any opinion upon the importance and extent of these objections, but believing it well that whatever may be their value they should not obtain between nations united by fraternal ties the proportions which similar circumstances might induce between nations entirely strangers to each other, my Government, Mr. Minister, hastens to offer anew its friendly mediation to the end that Nicaragua and Costa Rica may agree upon a new extension of time in which to verify the exchange of the ratifications.

My Government believes, Mr. Minister, that in adopting this line of conduct neither of the contracting Republics will suffer any loss of dignity; far from it. The consenting to a new extension of time will demonstrate that the two countries, disclaiming all motives of temporary advantage, can find in the good faith and impartiality of a friendly Government like that of the United States—which has always manifested deep interest in the welfare of our countries—the solution of their difficulties. Guatemala earnestly hopes that this offer may be favorably received, and praying that your excellency will give me your favorable response, I have the honor to subscribe myself, your attentive and obedient servant,

E. MARTINEZ SOBRAL.

I am your excellency, with distinguished consideration and appreciation, your very attentive and obedient servant,

E. MARTINEZ SOBRAL.

Guatemala in giving this proof of her friendly intervention toward her sister Republics of Nicaragua and Costa Rica obeys a sincere purpose for peace and a desire that no obstacle be thrown in the way of the commencement and prosecution of the work on the interoceanic canal which is to be excavated in the Central American Isthmus, and as the moral influence of the United States (influence to which our countries give consideration) is sufficiently valuable to put an end to the existing difficulties, my Government, Mr. Minister, will be truly pleased if your excellency's Government will, if it should be disposed, direct a similar friendly intervention to the said Republics, causing the exchange of the convention of arbitration, and that its stipulations may be carried into effect.

I pray that your excellency may transmit a copy of this note to the Department of State, and communicate to me the answer of your illustrious Government.

I am, your excellency, with all consideration and appreciation, your very obedient and faithful friend,

E. MARTINEZ SOBRAL.

[Inclosure 2 in No. 22.]

Mr. Mizner to Señor Sobral.

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, July 18, 1889.

MR. MINISTER: I have the honor to acknowledge the receipt of your excellency's courteous note of yesterday's date referring to the proffered good offices and friendly mediation of Guatemala to the Republics of Nicaragua and Costa Rica, and requesting that a copy of the same shall be forwarded to the Government of the United States.

I shall take great pleasure in transmitting to my Government a copy of your excellency's note as requested.

With renewed assurances of my distinguished consideration and esteem, I have the honor to be,

Your excellency's most obedient servant,

LANSING B. MIZNER.

Mr. Mizner to Mr. Blaine.

No. 26.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Managua, Nicaragua, August 16, 1889. (Received September 3.)

SIR: I have the honor to confirm my cable dispatch of the 7th instant, the true reading of which is as follows:

MANAGUA, August 7, 1889.

SECRETARY OF STATE, Washington:

On arrival at Nicaragua August 2 I learned death President of Nicaragua, Carazo. Inauguration of President Roberto Sacasa yesterday. Was received officially to-day. Have received no instructions since I left Guatemala. Canal matters are serious.

MIZNER.

On my arrival in Nicaragua on the 2d instant I learned that President Evaristo Carazo had died on the previous day.

On the 6th instant Dr. Roberto Sacasa, of Leon, was duly inaugurated as President of this Republic, in place of the deceased.

On the 13th instant President Sacasa appointed his new cabinet, among whom Señor Don Benjamin Guerra was sworn in as minister of foreign relations.

On the 7th instant I was duly presented to the president and delivered to him my autograph letter of the President of the United States accrediting me as envoy extraordinary and minister plenipotentiary of the United States of America to the Central American States. I was received with all the ceremony usual on such occasions and the kindest expressions were officially tendered to me and my countrymen.

Please find herewith inclosed a copy of my address to the President and a copy of his reply, with the translation thereof.

On August 9 I received telegraphic instructions from Washington, of which the following is a copy:

WASHINGTON (no date).

MIZNER, *Minister, Managua, Nicaragua:*

Telegram of 8th received. "58056 - 37956-."

WHARTON.

The same being unintelligible, on the 10th instant I sent a telegram, the true reading of which is as follows:

MANAGUA, *August 10, 1889.*

SECRETARY OF STATE, *Washington:*

Telegram unintelligible. Repeat telegram in code words.

MIZNER.

On August 13 I received telegraphic instructions from Washington, which I translate:

WASHINGTON (no date).

MIZNER, *Minister, Managua, Nicaragua:*

Await instructions at Managua.

MOORE, *Acting Secretary.*

In accordance with this, I will remain in Managua and neighborhood, inspecting the proposed canal route, until the receipt of further instructions.

On the canal question I have to say that I have carefully read the contract or concession made by the Republic of Nicaragua with the canal company in 1887, as well as the contract entered into by the Republic of Costa Rica with said canal company in 1888. I have also carefully read the treaty of limits between the Republics of Nicaragua and Costa Rica of 1858, as well as the award of President Cleveland to the effect that said treaty is still in force.

I have also considered the treaty between the Republic of Nicaragua and the United States of 1867. From all of which I feel satisfied that the true boundary between Nicaragua and Costa Rica on the San Juan River is the southerly bank of said river from a point 3 miles below Fort Castillo to the mouth of said river, and that the sovereignty of Costa Rica is restricted to that line, and that the sovereignty of Nicaragua covers the whole width of said river from north to south bank, subject to a perpetual easement in the Republic of Costa Rica to navigate said river from bank to bank, in common with Nicaragua, with all kinds of vessels, except vessels of war. As the canal is to occupy a portion of said river from the point 3 miles below Fort Castillo to its mouth, and by dams to raise the level of said river, it follows that portions of Costa Rica territory will be flooded, for which she has the right to claim indemnity. It appears also that the railroads and telegraph lines and other uses of Costa Rican territory along the line

of said river will be necessary to the convenient and economical construction of the canal. I therefore am of the opinion that the canal company had the right, and it was its duty, to make such contract with Costa Rica as might be for the best advantage of the canal and remove all future cause for complaint or claim for damages against said canal company, and I can see no good reason why the Republic of Costa Rica could not enter into such a contract with the company, saving only some few points which are immaterial and do not affect the essence of the contract, which is the completion of a ship canal from ocean to ocean.

From a somewhat extended knowledge of the Spanish-American character, and from conversations with all classes of people in this neighborhood, I am of the opinion that the objections of Nicaragua to the prosecution of the work on the canal, under any other authority than that of its own concession in 1887, is more as to form than substance. If the contract with Costa Rica had been made in the shape of a release or quit-claim deed, there would have been no objection on the part of Nicaragua; but the contract of the company with Costa Rica being almost a literal copy of the contract between Nicaragua and the company, Nicaragua fears that she will abandon some of her sovereign rights over the San Juan River if she permits the work to proceed under both contracts. I think I have made some impression upon the Government and people here by explaining to them that it is not within the power of the canal company and Costa Rica, or within the power of any other company or nation, to impair Nicaragua's sovereignty over the whole of the San Juan River without her consent, and that it would be beneath the national dignity of Nicaragua to admit for a moment that her sovereignty could be so interfered with. As far as I can rely upon verbal statements, made by the highest officials here, and apparently with the greatest sincerity, the United States is all-powerful in the premises, and Nicaragua and all the Central American States earnestly look to us for mediation and moral support in the completion of this great work.

I am, etc.,

LANSING B. MIZNER.

[Inclosure 1 in No. 26.]

Address of Mr. Mizner to President Sacasa.

MR. PRESIDENT: Approaching your country under the shadow of a great sorrow, we are reminded that nations, as well as individuals, must yield to the decree of Almighty God. In the recent death of your distinguished President, Gen. Don Evaristo Carazo, the Republic of Nicaragua has lost a true friend, an honest and able chief magistrate. Under our form of Government political power is ever dying, ever living. The authority conferred by the people is exercised for a brief time, then returns to its source, and is again conferred upon others. Men die, but the nation still lives. The acclaim with which your excellency is hailed as the constitutional successor to the first place in the Government is as pleasing to me and the people of the United States as it must be to you and your devoted countrymen. In placing in your hands the autograph letter of the President of the United States of America accrediting me as the representative of that nation near the Government of Nicaragua in the capacity of envoy extraordinary and minister plenipotentiary, I rejoice in the opportunity of extending the sincere friendship of my Government to you and the people of your attractive and prosperous Republic.

It is with no mere words of conventional usage that I now come to you with these assurances of the great interest the people of the United States of America entertain for the welfare and prosperity of Nicaragua and the other Central American States.

A new link in the chain of international amity is being wrought which can not fail to bind us still more closely together; just as the grand waterway which is to pierce your mountains and valleys will unite ocean to ocean—a work in which the capital of my fellow-citizens is joining hands with the land and labor of your own cooperation in an enterprise for the benefit of the whole commercial world.

The completion, Mr. President, will be another glorious monument to the genius of peace. Your own history for the last score of years, as well as that of my country, emphasizes the importance and value of peace at home and abroad. Its spirit is the brightest jewel in the crown of modern progress. It finds shape and form in the better disposition of all civilized nations to seek the settlement of all international differences by arbitration rather than by the barbarous method of the sword.

The arbitration between the United States and Great Britain at Geneva of twenty years ago and that of Berlin to-day have given a peaceful solution to questions which, had they been left to the unbridled passions prompted by the desire for military glory, would have cost the nations involved millions of money and tens of thousands of lives.

I am pleased, Mr. President, that the intelligence of the nineteenth century forbids any such wicked desire, and I am especially delighted that, in view of the high mission to which I have been called, I find the olive branch of peace has taken such deep root in the soil of your beautiful land.

[Inclosure 2 in No. 26—Translation.]

Response of President Sacasa to Mr. Mizner.

MANAGUA, August 7, 1889.

MR. MINISTER: It has truly given me pleasure to listen to the friendly words which you have addressed to me in the name of the Government of the United States of America, which you so fitly represent in Nicaragua.

In view of the sentiments and ideas so eloquently expressed, which animate your Government toward the success and prosperity of this Republic, and more especially those which refer to the opening of the interoceanic canal through our territory, my Government and the country can do no less than feel itself encouraged for the sympathy which has been awakened in your Government, for this work of universal importance will be, without doubt, a powerful stimulus for its realization.

Accepting these manifestations of sincere international cordiality, it is my duty to express to you, recognizing your honorable antecedents and distinguished merits, that I feel satisfied that, by your medium, the amicable relations of both countries will be more intimately preserved and bound.

In conclusion, Mr. Minister, it only remains for me to express to you the national recognition for your participation in the honest sorrow of the Republic, occasioned by the irreparable loss which it has suffered in the demise of my honorable and enlightened predecessor.

Mr. Mizner to Mr. Blaine.

No. 27.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
San José de Costa Rica, September 3, 1889.
(Received September 17.)

SIR: I have the honor to report that while in Managua, the capital of the Republic of Nicaragua, I found the exciting question of the day to be the "interoceanic canal," and that there were so many conflicting opinions as to the respective rights of Nicaragua and Costa Rica regarding its location and control, that I determined to visit the premises in person, the better to acquaint myself with the merits of the controversy. Accordingly, on the 17th of last month, I left Managua for that purpose and was detained at Granada three days, awaiting the little steamer which makes but three irregular trips a month across Lake Nicaragua; arrived at San Carlos, the point where the San Juan River leaves the lake, and was detained two days waiting for the river boat. I descended the whole length of the river and inspected it and the canal location as closely as the circumstances would permit, arriving at Greytown, or San Juan del Norte, on the 23d ultimo, where several days were spent inspecting the port and preparatory works of the canal company. Finding I would meet with much inconvenience and delay by returning by the same route which I came, I chartered a small 5-ton schooner and proceeded by sea to the port of Limon on the Atlantic Coast, and from there by rail and mule to this city, arriving on the 28th ultimo.

President Bernardo Soto and Ezequiel Gutierrez, the secretary of foreign relations, were so polite as to call on me within a few hours after my arrival, and expressed the utmost good feeling for the people and Government of the United States; in fact that feeling seems to be general among the people and public officials of this Republic, who look to our Government for a solution of the confusion into which the canal question has fallen, and the particulars which I may make the subject of a separate dispatch hereafter.

This Republic, like that of Nicaragua, has been especially polite in tendering to me the use of trains and other conveniences; in fact every courtesy that could be expected has been extended.

On the 30th of August I was duly presented to the President of this Republic and delivered to him my letter of credence, and was received with the utmost kindness.

Please find herewith inclosed a copy of my address to the President, and a copy of his reply with the translation thereof.

I will return to Managua in a few days to await your further instructions as indicated by your last cablegram.

I have, etc.,

LANSING B. MIZNER.

[Inclosure 1 in No. 27.]

Address of Mr. Mizner to President Soto.

MR. PRESIDENT: Having been accredited by the President of the United States of America as the envoy extraordinary and minister plenipotentiary of that nation to Central America, of which the Republic of Costa Rica is so important a part, I come with greetings and

assurances of the good will and deep interest which the Government of my country takes in the happiness and prosperity of the people of this favored land.

It was with the greatest pleasure that on my arrival in Central America I noticed a general air of progress everywhere. A new era is dawning, in fact has dawned, for your peace and advancement. The steamship, railroad, electricity, and other improvements are developing the great natural resources of your country in a wonderful degree. But we are lost in amazement when we contemplate the vast benefits to be conferred upon these Republics by the construction of that supreme effort of modern times, the interoceanic canal, mingling as it will the waters of the two great oceans across your countries, and bringing the commerce of the world to your doors. But above all is to be commended the spirit of compromise and honorable adjustment which is inspiring the Republics of Central America to a friendly settlement of all their differences. Peace has triumphs greater than war, and it is gratifying to see that the hot blood of the "conquistadores," like that of my own countrymen, is cooling, and disposed to obey the dictates of reason and Christian forbearance rather than follow the promptings of enthusiasm. There is no better established principle of ethics than that one person or nation should yield some of his or its preconceived opinions in consideration that others should yield some of theirs in return. In fact, all free government is the result of such mutual concessions. The Constitution of my country, that great charter of human liberty, is but an aggregation of conflicting opinions. Gratifying it is to know that the same spirit of compromise, blended with a patriotic desire for your country's honor and prosperity, pervades Central America, and especially Costa Rica.

My country, being interested in the prosperity and welfare of her American neighbors, and wishing only friendly relations and commercial intercourse with them, would be pleased to see a union of all the Central American States—"in union there is strength." Enlightened liberty can best be maintained by joining of human efforts for the protection of human rights. Already your most northern State is about to be deprived of a portion of her territory, on a nice question of boundary, and Costa Rica may not always be exempt from the ambitious advances of her southern neighbor.

The Central American States, being of a common ancestry, having a common destiny, and speaking the same language, have a splendid future. United, they will stand; divided, they may fall.

[Inclosure 2 in No. 27.—Translation.]

Response of President Soto to Mr. Mizner.

MR. MINISTER: In receiving from your excellency the letter accrediting you as envoy extraordinary and minister plenipotentiary of the United States of America, I take pleasure in assuring your excellency of the great sympathy and profound respect with which the North American people inspire the Republic of Costa Rica.

The American Union, at whose gigantic progress the whole world marvels, and which is a model worthy of imitation, gives us, among other examples, that of seeking through arbitration the solution of all international differences, and of seeking power and prosperity in union.

This spirit of compromise and of adjustment is gradually progressing, and Costa Rica, as well as her sister Republics of Central America, has recourse to that civilized mode of ending her disputes. Those which have recently taken place between Costa Rica and Nicaragua have given the opportunity of showing practically this sentiment of conciliation, and have, at the same time, placed in evidence the unlimited confidence felt by these countries in the probity and sense of right and justice of the public men of the United States.

Central America, though born to political life as one nation, is to-day divided. Fortunately, she is already tending toward renewing the bonds of existence in common. This patriotic aspiration will not delay in finding its realization, and it is not to be doubted that the desired day will be brought nearer by the execution of the great idea of an interoceanic canal, an idea which has existed since the time of the conquest of America, and in the realization of which the American people have exerted so many efforts.

May your excellency accept my most fervent wishes for the welfare and growing prosperity of the United States and for the personal happiness of its most worthy President.

Mr. Mizner to Mr. Blaine.

No. 28.]

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

San José de Costa Rica, September 7, 1889.

(Received September 20.)

SIR: In my dispatch No. 27, of the 3d instant, it was stated that I might make the canal question the subject of a further communication to you, and I now think the matter of sufficient importance to do so.

During my stay in Nicaragua I became quite satisfied that there was great friction, amounting almost to hostility, on the part of the Government and people of that Republic against Costa Rica on account of the boundary question and the contract, or concession, which the canal company made with Costa Rica in 1888. This feeling was manifested by many of the public officials and a majority of the people in conversation, and by newspaper publications, although several of the prominent men, more especially those residing in Granada and points near the canal route, were perfectly willing to waive all cause of complaint against the canal company, and restrict the contest to a future settlement between the two Republics. These alleged causes of complaint are quite well known to the Department, and I will not now repeat them. Suffice it to say that on my arrival in Costa Rica I found the Government and people much more disposed to any reasonable adjustment of the troubles than those of the Republic I had just left. In a most friendly conversation which I had with Don Ezequiel Gutierrez, the minister of foreign relations of Costa Rica, and at which Don Mauro Fernandez, minister of the treasury, was present, I found them quite willing to extend the time for the exchange of the arbitration convention entered into on the 10th day of January last between the two Republics, and to exchange the same, or enter into a new connection of like import; and, in the meantime and during the pendency of the arbitration, to make such an agreement with the canal company as might be satisfactory to that corporation, and permit the work on the

canal to proceed at once. To this end they thought the friendly mediation and good offices of the United States would be very potent, but they were reluctant to make such a request for fear that it might be construed by Nicaragua as an evidence of weakness on the part of Costa Rica, expressing at the same time their entire willingness to accept our good offices if tendered.

Notwithstanding the discretion given me in your instruction No. 14, I did not consider myself at liberty to tender our good offices until the receipt of further instruction, which I expect to find at Managua next week. However, in view of the brief time between now and the period fixed for the actual commencement of work on the canal to save a forfeiture, to wit, the 27th of next month, I have thought it proper to open negotiations with Costa Rica on the subject, and especially since I have been handed a copy of a telegram received by Mr. Luis Chable (the agent of the canal company, residing here, as provided for in the canal contract with Costa Rica) from my predecessor, the Hon. Henry C. Hall (now a similar agent residing in Nicaragua), which telegram is as follows:

Mr. Modesto Barrios, minister of fomento, says that if on October 24 the Maritime Canal Company has not rescinded the Costa Rican concession, then the Nicaraguan concession will be declared forfeited. Inform Mr. Mizner and Mr. Soto confidentially.

H. C. HALL.

MANAGUA, *August 30.*

Accordingly, on the 31st of last month I called on the minister of foreign relations of Costa Rica and had a very pleasant conversation with him, which was reduced to writing, a copy handed to him and one retained by me. I also inclose a copy herewith. After a delay of six days, during which time I am informed Nicaragua was consulted by telegraph, I received the reply, a copy of which is inclosed. Information has also reached me to the effect that Señor Guzmán, the envoy and minister of Nicaragua in Washington, has been instructed to notify your department that unless the canal company shall cancel the Menocal-Zeledon contract with Costa Rica on or before the 24th of next month, Nicaragua will declare the forfeiture of the Cardenas-Menocal contract with Nicaragua. I have been appealed to in writing by both the agents of the canal company (Mr. Hall and Mr. Chable) for aid and protection against any arbitrary action in the premises. Their communications are too long to accompany this dispatch, but will be retained on file in the legation for future reference. This contemplated course of Nicaragua is so startling that I shall deem it my duty in the absence of further instructions, and under the discretion conferred upon me, to at once on my arrival in Nicaragua inquire of that Government whether it intends any such action, and shall request a prompt reply so as to cable it to you. I shall enter the earnest protest of the United States against such a course and call the attention of the Nicaraguan Government to the language of General Cass when Secretary of State, on July 25, 1858, on the subject of the very canal now under consideration, written to General Lamar, minister resident in Nicaragua. The whole letter will be referred to. A portion of it is as follows:

The United States, acting in behalf of their citizens, object to this system of confiscation, and they do not doubt but what they will have the concurrence of all other powers who have similar interests in these vastly important measures. What the United States demand is, that in all cases where their citizens have entered into contracts with the proper Nicaraguan authorities, and questions have arisen or shall arise respecting the fidelity of their execution, no declaration of forfeiture, either past or to come, shall possess any binding force unless pronounced in conformity with the provisions of the contract, if there are any, or if there is no provisions for that purpose, then unless there has been a fair and impartial investigation in such a manner as to satisfy the United States that the proceeding has been just and that the decision ought to be submitted to.

Without some security of this kind this Government will consider itself warranted, whenever a proper cause arises, in interposing such means as it may think justifiable in behalf of its citizens who may have been or who may be injured by such unjust assumption of power.

I shall intimate to Nicaragua that the spirit of the people of the United States will not sanction any departure from that policy, and shall remind Nicaragua that if her course in 1858 called out such a declaration of principle as set forth in Mr. Cass's letter, when the canal scheme then was only on paper, how much more binding is the obligation of the United States to lend its aid and protection to a company of United States citizens, incorporated by the United States Congress, and which has been on the ground for several months past with a large number of men and a vast quantity of material ready to commence the great work.

I may also refer to the third article of the Clayton-Bulwer treaty of 1850, which is as follows:

ARTICLE III. In order to secure the construction of the said canal, the contracting parties engage that if any such canal shall be undertaken upon fair and equitable terms by any parties having the authority of the local government or governments through whose territory the same may pass, then the persons employed in making the said canal, and their property used or to be used for that object, shall be protected from the commencement of the said canal to its completion by the Governments of the United States and Great Britain from unjust detention, confiscation, seizure, or any violence whatever.

Whatever opinion the Government of the United States may entertain as to that treaty, Nicaragua considers it of most binding force. It may be well also to quote the letter of Señor Zavala (then minister of foreign relations of Nicaragua), dated October 12 last, to my predecessor, Mr. Hall, wherein it was promised that Nicaragua would place no obstacle in the way of the prosecution of the work on the canal. I would also in the most friendly manner show to Nicaragua that, under all these assurances and guarantees, a large number of United States citizens have risked their health and lives and invested their wealth in an enterprise within the territory of Nicaragua.

Of course, if after receiving your further instructions at Managua I shall then deem it proper to act as indicated, I will do so in the most courteous and amicable manner possible, placing my action on the ground that, while we are protecting our own citizens and their property, as we would expect Nicaragua to do under similar circumstances, we are at the same time doing the best thing for Nicaragua in inducing her to refrain from a course that may postpone for many years the construction of a canal in which she has so great an interest, and about which the maritime world is becoming restive and impatient as to its delayed completion, caused, as it is thought, by local differences which should be settled without interfering with so great a work, and that for our timely but firm mediation and good offices the future dense population of Nicaragua will rise up to thank us.

I have, etc.,

LANSING B. MIZNER.

[Inclosure 1 in No. 28.]

Mr. Mizner to Señor Gutierrez.

SAN JOSÉ DE COSTA RICA, *August 31, 1889.*

The representative of the Maritime Canal Company having shown to the minister of the United States a telegram from Managua under

date of August 30, of which the annexed is a copy, Mr. Mizner begs leave to suggest to his excellency the secretary of foreign relations of Costa Rica the following plan of settlement of the difficulties between Costa Rica and Nicaragua on the canal question:

Let Costa Rica suggest to the United States minister that it would be pleased to have the amicable intervention of the United States Government and its good offices to bring about a settlement of the present difficulties between the two countries.

As a preliminary to this amicable settlement, let Costa Rica offer to suspend at once for a time the Costa Rican concession until the ratifications of the old convention of January 10, known as the Urtecho-Jimenez convention, are exchanged, or until a new convention is entered into submitting to arbitration the question of Costa Rica's right to make the Menocal-Zeledon concession of 1888.

The United States minister is moved to make these suggestions from the tenor of many conversations which he has recently had with the high officials of Costa Rica and Nicaragua. From documentary evidence lately received, he believes the matter of urgency.

[Telegram.]

Mr. Modesto Barrios, minister of fomento, says that if on October 24 the Maritime Canal Company has not rescinded the Costa Rican concession, then the Nicaraguan concession will be declared forfeited. Inform Mr. Mizner and Mr. Soto confidentially.

H. C. HALL.

MANAGUA, August 30.

The above telegram was addressed to Mr. Louis Chable in San José de Costa Rica.

[Inclosure 2 in No. 28.—Translation.]

Señor Gutierrez to Mr. Mizner.

The secretary of state for foreign relations in Costa Rica has the honor to acknowledge receipt of the memorandum of August 31, last, in which his excellency, Mr. Lansing B. Mizner, envoy extraordinary and minister plenipotentiary of the United States in Central America, suggests the following plan for arranging the difficulties existing between Costa Rica and Nicaragua regarding the canal question:

That Costa Rica should manifest to the United States minister that she would view with pleasure the amicable intervention of the United States Government and the interposition of its good offices for arranging the disagreement between both countries, and that, as a preliminary to this amicable arrangement, Costa Rica suspend, shortly and temporarily, the Zeledon-Menocal contract, until the ratification of the Urtecho-Jimenez convention or the celebration of a new convention which may submit to arbitration the question whether Costa Rica has or has not the right to make concessions.

The secretary of state for foreign relations brought this memorandum to the notice of the President of the Republic, from whom he has received orders to reply as follows:

Costa Rica can not doubt the right which she possesses to make concessions in the matter referred to in her own territory, or in anything which directly or indirectly concerns it; but giving due weight to this, and in order to give a new proof of her love for peace, and of her respect for the example and uprightness of the United States Government, with the consent of the canal company, she will agree to at once suspend, and for a period of six months, the Zeledon-Menocal contract, subject to the following conditions:

1. That a similar statement to the minister or Government of the United States shall also be made by Nicaragua.

2. That if the amicable intervention does not produce the desired end the question shall be submitted to arbitration within the same six months, with the consent of the Central American Maritime Canal Company.

The moderation and reasonableness of these bases can not but be apparent to the penetration of his excellency, Mr. Mizner, and Costa Rica hopes that Nicaragua, as well as the canal company, will find them entirely acceptable.

SAN JOSÉ, *September 5, 1889.*

Mr. Blaine to Mr. Mizner.

[Telegram.—Cipher.]

DEPARTMENT OF STATE,
Washington, September 25, 1889.

MIZNER,

American Minister, Managua, Nicaragua:

The Government of the United States has heard with great surprise that some movements are on foot in Nicaragua to impair, or possibly destroy, the rights of the Maritime Canal Company as embodied in the concession made to that company by the Government of Nicaragua.

This Government refuses to believe that Nicaragua would do any injustice to a company chartered by the Congress of the United States, and relies implicitly upon the good faith of Nicaragua. Advise me as promptly as you possibly can what situation of affairs has given rise to these disquieting rumors.

The Government of the United States can not remain passive if any of the rights of a corporation organized under its own laws shall be threatened with injustice. You will please read this despatch to the Nicaraguan minister of foreign affairs, Mr. Urtecho, and will leave with him a paraphrase, if requested.

BLAINE.

Mr. Mizner to Mr. Blaine.

No. 29.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Managua, Nicaragua, September 30, 1889.

SIR: Soon after mailing my dispatch No. 28 from San José de Costa Rica, on the 7th instant, I left that city and arrived here on the 17th instant, and was disappointed at not receiving further instructions from your Department, as your cablegram of the 13th ultimo stated, "Await instructions at Managua." This qualified the discretion given me by your instruction No. 14, of the 12th of last June, to such an extent that I have felt reluctant to take any decided action in so important a matter as the canal question, except upon the safest grounds. With the exception above stated, I have received no instructions from your Department on the subject of the interoceanic canal since your number 14, of June 12 last.

In my dispatch No. 28, already referred to, it was stated that I had opened negotiations with Costa Rica looking to a settlement by arbitration of the differences existing between Nicaragua and Costa Rica

growing out of the canal concessions made, respectively, by the two Republics to the Maritime Canal Company. Copies of the correspondence between the Government of Costa Rica and myself, suggesting arbitration, were forwarded to you as inclosures Nos. 1 and 2 in my 28, which are hereby referred to and made part of this dispatch. It was also stated at the same time what my action might be (in the absence of further instructions) in the event that Nicaragua should claim the right to declare forfeited her concession to the canal company before the time fixed in the contract for the commencement of the work.

Fortunately I have succeeded in reconciling the differences and conflicting opinions of the parties in a most amicable and satisfactory manner to all interested, and the course indicated in my Costa Rica dispatch becomes unnecessary.

On my arrival in this capital on the 17th instant I presented to the Government of Nicaragua, with my indorsement, the plan for arbitration which I had submitted to the Government of Costa Rica, together with the conditional consent of that Government thereto.

To this proposition for arbitration the Government of Nicaragua, in a dispatch dated the 18th instant, declined the proposition, as fully set forth in said dispatch, which also inclosed a copy of a dispatch from the minister of foreign relations of Nicaragua to the Nicaraguan minister in Washington and a cablegram from the minister of foreign relations of Nicaragua to the minister of foreign relations of Costa Rica, of both of which translations follow the Spanish text.

Finding that all efforts to adjust these most complicated differences by arbitration had failed, I addressed myself to the work of arranging some settlement between Nicaragua and the canal company, so that the work might proceed without further interruption, and, after a friendly interview with the cabinet of this Republic, I was requested to formulate a plan for such settlement, which I did, and submitted it. To this Nicaragua formulated a counter proposition, and submitted the same for my consideration. As the canal company suggested amendments to this counter proposition, other interviews were had with the Nicaraguan cabinet, and finally the plan formulated by Nicaragua, and as set forth verbatim in inclosure No. 9, was, with the consent of the Maritime Canal Company of Nicaragua, accepted by me for and in behalf of said company, and declarations to that effect have been drawn up, and the work will proceed, it is to be hoped, without further molestation.

It is due to myself to say that the great importance of the canal question and the absence of full instructions as above referred to, and the near approach of the day when Nicaragua might declare her concession forfeited on account of the noncommencement of work thereunder, induced me to enter into negotiations with the Nicaraguan Government as herein stated, and I have been quite careful not to commit our Government to any responsibility whatever in the premises, but have on every occasion required the consent of the canal company in writing to each of the steps taken. I may be also permitted to congratulate the commercial public and especially our own country and Central America on this apparently friendly settlement. It has been exceedingly difficult to complete this arrangement because it is almost impossible to construct said canal without in some way involving the rights of the two Republics of Nicaragua and Costa Rica, and these Republics are exceedingly jealous of their rights and sovereignties, and are neither disposed to yield to any great extent one to the other.

Some confusion and misunderstanding may arise hereafter as to what is the "Bay" of San Juan del Norte, and what is the "port" of San

Juan del Norte. The official map of the Republic of Costa Rica shown to me by the secretary of foreign relations of that Republic, marked the "Bay" of San Juan del Norte as lying outside and easterly and northerly of the sand spits and bars which protect the actual harbor of San Juan del Norte, which harbor is a small sheet of water of about 1 mile square, while the "bay" as marked on said official map might be properly so called as it is included between certain headlands entirely outside of the harbor. The treaty between Nicaragua and Costa Rica of 1858, provides that the "Bay" of San Juan del Norte shall be held in common by the two Republics, and I understood the cabinet of Costa Rica to say that that Republic set up no claim to the "port" of San Juan del Norte, which statement I have repeated to the members of the cabinet of Nicaragua, and they, on the other hand, while urging the point that the Atlantic port of the canal should be at Rio Indio, outside and some 7 miles northerly of the port of San Juan del Norte, contended that Costa Rica was joint owner with Nicaragua in the port of San Juan del Norte, and gave this as the reason for their objection to San Juan del Norte as the canal terminus, which they further contend must be situated in territory which is unquestionably Nicaraguan.

It is also proper to say that in referring to Señor Guerra's statement to the effect that the contract made with the company by Costa Rica is not only inconsistent with the prior contract made by Nicaragua regarding the exclusive sovereignty of Nicaragua in the river and port of San Juan del Norte, but is also inconsistent "with other matters that affect the rights of Nicaragua," the canal company contends that its concession from Costa Rica remains in full force and effect, notwithstanding the declaration, as set forth in the inclosure, so far as the same is not inconsistent with the Nicaraguan concession, and especially in so far as the Costa Rican concession to the company operates as a grant and release of lands and territory, of privileges and a waiver of damages for overflowed lands and interference with her riparian rights.

It may turn out that, having arranged matters with Nicaragua at least for the present, Costa Rica may complain of the canal company's declaring any part of her concession void, but the better opinion here is that she will take a moderate view of the question and refrain from throwing any obstacles in the way. Some trouble and annoyance may be expected, as there are many political parties and contending factions in these small populations, and a few go so far as to say that the canal shall not be built, and that all kinds of objections will be raised which will force the company to retire. I have conducted these negotiations in the kindest and most friendly manner, but have noticed that a mild assertion of a little firmness and determination to protect our citizens and their property in every land has a salutary effect.

The length of this dispatch and its inclosures is only justified on the ground of the importance of the subject-matter, and a desire to make a record of the negotiations.

I have, etc.,

LANSING B. MIZNER.

[Inclosure 1 in No. 29.]

Mr. Mizner to Señor Guerra.

MANAGUA, *September 17, 1889.*

SIR: Since my departure from this capital on the 17th of last month I have visited Lake Nicaragua, the whole length of the San Juan River, and the bay of San Juan del Norte. I also visited the Republic of

Costa Rica, via Limon on the Atlantic Ocean, and have returned via Puntarenas on the Pacific. During my trip I had occasion to inspect the proposed route of the Nicaragua Interoceanic Canal and the extensive preparations made by the canal company at San Juan del Norte for the commencement of the great work, consisting in part of eighteen surveying stations, several large houses for officers and men, steam pile drivers, large quantities of piles and timber, scows, boats, telegraph and telephone lines, extensive clearings, and a large number of laborers waiting to go to work. Before leaving here I became somewhat familiar with the sentiment and feeling of many of your officials and of the people, as expressed verbally and by printed and written documents delivered to me by officials of your Government on the subject of the canal and the contract made by the company with Costa Rica. A desire to hear all sides of the question and to view the canal route was the motive of my visit, as above stated.

I have now obtained all the information I could from the agents and engineers of the canal company, and from the President, cabinet, and people of Costa Rica on the subject, and without expressing any opinion on the merits of the controversy which seems to exist between the two Republics and the canal company touching the right of Costa Rica and the company to enter into the Menocal-Zeledon contract, I am confident, in view of the vast interests involved, that the correct and most practicable manner of adjusting these differences is by arbitration, and is the only way short of violence by which the honor and dignity of the two sister Republics can be preserved. Accordingly, I have suggested to the Republic of Costa Rica a plan by which, in my opinion, the difficulties can be settled, a copy of which plan, together with the reply of that Government, please find attached hereto. If this meets the views of Nicaragua, and the plan seems to be the same as once ratified by Nicaragua, the whole matter can be promptly arranged and the important work proceed with the hearty support of all parties. I trust that I may be permitted to indulge the hope that your Government will meet the friendly advances of your sister Republic in a spirit of compromise and a sincere desire to promote the interests of Central America, and so act that the dream of ages, the Nicaraguan canal, may be realized.

May I ask the favor that you will give me a reply at your earliest convenience.

I have, etc.,

LANSING B. MIZNER.

[Inclosure 2 in No. 29.—Translation.]

Señor Guerra to Mr. Mizner.

MINISTRY OF FOREIGN AFFAIRS OF NICARAGUA,

Managua, September 18, 1889.

MR. MINISTER: I have received your courteous dispatch of yesterday, in which your excellency is pleased to say to me that since your departure from this capital on the 17th of August last you have visited Lake Nicaragua, the entire course of the River San Juan, the Bay of San Juan del Norte, as well as the Republic of Costa Rica.

Your excellency says that during your trip you inspected the projected route of the interoceanic canal of Nicaragua and the great preparations made by the canal company in San Juan del Norte, which consist in part of 18 engineering stations, several large houses, steam pile drivers, a large quantity of timber and lumber, boats for transporting earth, telegraph and telephone lines, and many laborers ready for the work.

Your excellency further says that before leaving here you became familiar with the sentiment and feeling of the employees and of the Nicaraguan public, expressed verbally and by means of printed documents and manuscripts which were handed to your excellency by agents of my Government on the subject of the canal and of the contract celebrated between Costa Rica and the company; that the desire to hear both sides and to see the canal route was the motive of your journey; and that now being in possession of the information which it was possible to acquire from the agents and engineers of the canal company, and from the President, cabinet, and public of Costa Rica, without expressing any opinion regarding the controversy which appears to exist between the two Republics and the company, you believe that, considering the immense interests concerned, the most correct and practicable mode of arranging these differences is arbitration, as the only means of protecting, short of violence, the honor and dignity of the two sister Republics. Your excellency adds that you have proposed to the Republic of Costa Rica a plan by which, according to your excellency's opinion, the existing difficulties can be arranged, and of which you send me a copy, together with the reply of Costa Rica.

Finally, your excellency concludes by saying to me that if this idea meets the approbation of Nicaragua, the plan proposed by your excellency being the same as that ratified by the Congress of this Republic, the whole matter can be promptly arranged and the important work proceed with the hearty support of both parties, and that you indulge the hope that my Government will meet the friendly advances of a neighbor and sister Republic with a disposition to arrive at a compromise, and with a sincere desire to promote the interests of Central America, so that the dream of centuries—the Nicaragua Canal—may be realized.

I have received instructions to reply to your excellency as follows:

The rule of conduct which, after very serious and mature deliberation, my Government has determined to follow with respect to Costa Rica and the Maritime Canal Company of Nicaragua is summed up in the dispatch dated the 4th instant and sent to our representative in Washington, and in the telegram dated the 14th of this month, directed to the minister of foreign relations of Costa Rica, copies of which documents you will please find inclosed.

Fostering the hope that the United States minister, in view of the reasons expressed in these documents and in others which were officially handed to him prior to his trip to Costa Rica and in virtue of the illustrious and upright judgment which distinguishes him, will know how to appreciate with justice the procedure of Nicaragua, and that, although she ardently desires peace and concord with her neighbor and sister Republic and the prosperity of all Central America, she can not and ought not seek to obtain these precious advantages by abdicating her rights nor by impairing her honor, the Government of Nicaragua intimates to the minister, through my medium, the most profound gratification for his friendly actions, and confidently hopes, from the justice of its course and the desire manifested by your excellency to arrive at a definitive arrangement, that the great work of the interoceanic canal will be realized, and that the company will retrace its steps by proposing a solution of the differences which can be accepted.

With sentiments of the most distinguished consideration, I have, etc.,

BENJN. GUERRA.

[Inclosure 3 in No. 29.—Translation.]

Señor Guerra to Señor Guzmán.

MINISTRY OF FOREIGN RELATIONS OF NICARAGUA,
Managua, September 4, 1889.

Mr. MINISTER: On the 27th of last August I sent you the following cablegram, which I now confirm:

This Government, consistent with its policy, does not reject the mediation of the American Government, but would declare that under the present circumstances and in view of the observed conduct of Costa Rica and the company Congress and the country would reject a new arbitration convention.

GUERRA.

Your excellency knows that the arbitration convention celebrated between this Government and that of Costa Rica in January of the present year was ratified with much difficulty by the Congress of Nicaragua, and that before the expiration of the term fixed by this compact for the exchange of the ratifications and before it was possible to obtain the consent of Congress here Costa Rica asked for a term of two months more, which was conceded. Nicaragua ratified it unconditionally. Costa Rica, on the contrary, in her decree of ratification ordered that the executive, before verifying the exchange of ratifications, should make a convenient arrangement with the canal company as a condition sine qua non and previous to the exchange of the treaty, an arrangement which never went into effect.

The term of two months conceded by this Government beyond that fixed at the convention passed by without other result than that of nullifying an agreement which the Government of General Carazo sustained in opposition to the views of a large portion of the inhabitants of Nicaragua, and which gave rise to long and excited debates in Congress, where it obtained the significant majority of one single vote in the Senate.

If to-day we were to celebrate a new treaty of this nature with Costa Rica, we would, beyond doubt, have all the country against it, and the Chambers would not be able to ratify it.

I will see that your excellency be made acquainted with the new features which are being presented by the relations between this Republic and Costa Rica and the canal company, and I trust that your excellency will do the same in regard to the acts which cause them in the United States and which influence in some way events of so much magnitude.

I am, etc.,

BENJAMIN GUERRA.

[Inclosure 4 in No. 29.—Translation.]

*Señor Guerra to minister of foreign relations, Costa Rica.*MANAGUA, *September 4, 1889.*

I have been instructed to give to your excellency the following answer:

Nicaragua feels very grateful toward the American minister for his good offices, and is very much pleased in acknowledging the good disposition of the Government of Costa Rica to arrange the difficulties existing between the two countries.

She would see also with pleasure the interposition of the American Government for a definitive arrangement of their troublesome questions by way of a treaty that could resolve all the points that cause the present divergencies, but without recurring for this purpose to arbitration,

because after what has happened and the actual circumstances being given the country at large would disapprove such a step, which could defer indefinitely the solution of the pending difficulties.

For the acceptance of this mediation it would not be necessary on our part to refer to the Zeledon-Menocal contract nor to give any notice to the company, because we have not acknowledged the validity of said contract, and that which Nicaragua made with the company has reference only to our territory.

The acceptance of the mediation on our part never could bar the exercise of our right to require from the Maritime Nicaragua Company the fulfillment of their obligations, and of declaring in due time the forfeiture of the concession.

By the aforesaid explanations your excellency will see that the kind disposition of your Government finds in us the most grateful reciprocity, and that we could only differ in regard to the means of arriving at a final result that would satisfy at once and soon the want that these countries feel of living united and in perfect peace, which is the earnest desire of my Government.

I am, etc.,

B. GUERRA.

[Inclosure 5 in No. 29.]

Mr. Mizner to Señor Guerra.

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

Managua, September 23, 1889.

SIR: On the 17th instant I had the honor to communicate to your excellency, for the favorable consideration of your Government, a proposition or plan for the amicable settlement of the questions and serious conflicting opinions existing between the Republics of Nicaragua and Costa Rica and the Maritime Canal Company, growing out of the respective concessions or contracts made by the above-said States with the said canal company, and in which communication occasion was taken to state that I had spent some time in your capital, had visited the route of the proposed canal through Lake Nicaragua, the whole length of the San Juan River, had inspected the extensive works of the canal company at the port of San Juan del Norte, had also visited Costa Rica via Limon, on the Atlantic Ocean, and had returned here via Punta Arenas, on the Pacific; that during all this time I had conversed with officials and people in both Republics, and had become somewhat familiar with the public sentiment of the two Republics and of the agents of the canal company on the subject of the serious differences existing between the aforesaid parties on account of the contract entered into by the canal company with Costa Rica in 1888, called the Menocal-Zeledon concession. I also took occasion to state that in view of the vast interests involved the most practicable manner of adjusting the differences short of violence was by arbitration, and that accordingly I had submitted to the Government of Costa Rica a plan for such settlement, which was in substance that the Republic of Costa Rica should solicit the amicable intervention and good offices of the United States in the premises, and that in the meantime and pending the arbitration Costa Rica should suspend the Menocal-Zeledon contract. I stated that Costa Rica assented to all of this, with the condition that Nicaragua should also assent thereto. Copies of this plan proposed to Costa Rica and her reply thereto were attached to my said communication to your excellency, and need not be repeated here.

I have to acknowledge your excellency's esteemed reply of the 18th instant in answer to my said communication, in which reply you decline, on behalf of your Government, my proposition, giving your reasons therefor in full, and inclosing copies of your telegrams to your minister plenipotentiary in Washington and to the Government of Costa Rica, the particulars of which need not be further referred to, in view of the fact that negotiations for a settlement between the parties, as hereinafter stated, give promise of a complete adjustment of the pending questions.

On the 19th instant, and after the proposition of settlement by arbitration had been declined by your Government as above stated, I had a most pleasant interview with your excellency, which was participated in by the following members of the cabinet: Don Francisco Xavier Medina, minister of public works; Don Yngencia Mayorga, minister of the treasury, and Don Modesto Barrios, minister of the interior, war, and marine. At this interview the kindest feelings toward Costa Rica and the most liberal sentiments toward the canal enterprise were freely expressed, and an understanding for the settlement of the differences was conditionally arrived at, and I was requested to formulate the same, which, with the consent of the agent of the canal company, I did, and submitted for the consideration of your Government the following:

The Maritime Canal Company of Nicaragua declares:

That, in constructing the canal, it will strictly observe the "Cardenas-Menocal" contract or concession, and that the work shall be carried out in strict conformity with its stipulations.

That the company recognizes and will always respect the sovereignty and rights of Nicaragua over the port of San Juan del Norte and the river of San Juan, and over the entire length of the canal from ocean to ocean; and will in all other respects conform to the award of President Cleveland of the 22d of March, 1888.

After further interviews, at the final one of which His Excellency Don Roberto Sacasa, President of the Republic, was present, the following memorandum, which your Government was pleased to formulate, was submitted for my consideration:

The Maritime Canal Company of Nicaragua, constituted and organized in virtue of the "Cardenas-Menocal" contract passed on the 24th of April, 1887, and incorporated by an act of the Congress of the United States of America of the 20th February, 1889, declares:

First. That in the execution of the work of construction, as well as in the operation and administration of the Maritime Canal after its completion, the company will adhere strictly to the stipulations of the said contract.

Second. That consequently said company will hold null and void any other obligations contracted by it, under whatever form, in whatsoever may be inconsistent with the said "Cardenas-Menocal" contract, or contrary to the rights of Nicaragua, whose exclusive sovereignty over the canal and its ports, and whose dominion and sovereign jurisdiction over the port of San Juan del Norte and waters of San Juan River from its origin in the lake to its mouth in the Atlantic, it recognizes and obliges itself to respect.

On the other hand: Nicaragua will immediately revoke the orders prohibiting the formal commencement of canal construction.

While I would have preferred to have had the plan formulated by myself adopted, still I can see no serious objection to the one indicated by you, and I will recommend it to the Maritime Canal Company as a fair and favorable settlement, and sincerely hope that it will be the means of removing all obstacles in the way of the prosecution and completion of the great interoceanic Nicaragua canal.

I feel quite confident that this arrangement will be satisfactory to the Government of Costa Rica, as from my frequent conversations and interviews with the cabinet of that Republic I became satisfied that no

claim is made by them to the sovereignty of either the San Juan River or the port of San Juan del Norte, and that, therefore, as far as the question of sovereignty is concerned, there can be no conflict or inconsistency between the respective contracts made to the canal company by the two States.

Will you please favor me with an acknowledgment of this communication at your earliest convenience?

I have, etc.,

LANSING B. MIZNER.

[Inclosure 6 in No. 29—Translation.]

Señor Guerra to Mr. Mizner.

MINISTRY OF FOREIGN RELATIONS OF NICARAGUA,
Managua, September 25, 1889.

MR. MINISTER: Yesterday I received your excellency's courteous dispatch of the 23d instant, in which, after making a recapitulation of the facts connected with the canal question, in which your legation has taken part, a recapitulation which concludes with the plan presented by this Government for removing the pending difficulties between Nicaragua and the canal company, your excellency says, that, while you would have preferred to see the plan formulated by your excellency adopted, still you do not see any serious objection to the one made by the Government of Nicaragua, which you will recommend to the Maritime Canal Company as a fair and favorable settlement, and that you sincerely hope that it will be the means of removing all obstacles against the prosecution to conclusion of the great interoceanic canal of Nicaragua.

Your excellency concludes, by saying that you have full confidence that this arrangement will be satisfactory to the Government of Costa Rica, because from your frequent conversations and interviews with the members of the cabinet of that Republic your excellency is satisfied that they do not in any manner claim the sovereignty of the San Juan River nor of the port of San Juan del Norte, and that therefore, as far as the question of sovereignty is concerned, there can be no conflict or inconsistency between the contracts which the canal company has made with both Republics.

I have the honor to reply to your excellency in accordance with the instructions which I have, in substance, received from the President.

The nature of the plan presented by this ministry with the design of removing the pending difficulties may be judged because the diplomatic representative of the United States of America characterizes it as a fair and favorable arrangement in which he meets with no serious objections. This is highly satisfactory to my Government, for it is another proof of the spirit of conciliation which animates the Nicaraguan Government in this most momentous subject, and that her efforts will always aim at facilitating the prosecution of the canal, stipulating only that the national rights and dignity should be preferred to all.

It is my understanding that your excellency, from your frequent conversations and interviews with the members of the Costa Rican cabinet, remains satisfied that they do not claim the sovereignty of the San Juan River nor of the port of San Juan del Norte, and that consequently, as far as sovereignty is concerned, there can be no conflict or inconsistency between the contracts made with the company by the two Republics.

But I am obliged to declare to the minister of the United States that my Government maintains, as it always has maintained, that the "Zeledon-Menocal" contract is inconsistent with the one celebrated with this Government called the "Cardenas-Menocal," not only regarding the exclusive sovereignty which Nicaragua possesses in the river and port of San Juan del Norte, and consequently over all the future interoceanic canal, but as well in respect to other matters which affect the rights of Nicaragua.

With sentiments, etc.,

BENJN. GUERRA.

[Inclosure 7 in No. 29.]

Mr. Mizner to Señor Guerra.

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Managua, September 25, 1889.

SIR: I will accept, on behalf of the canal company, your suggested amendment of to-day if you will strike out the words "Except in what relates to the Atlantic port, which will be settled hereafter between Nicaragua and the company, and if they can not agree within four months from this date, then by arbitration as provided in the contract," then the whole matter can be closed at once, subject, of course, to the approval of the company. The words which I ask you to strike out seem to be immaterial, as in your proposed plan the company is obligated to declare that it will construct and operate the canal in strict accordance with the Cardenas-Menocal contract, and of course it will not commence the work on the Atlantic mouth of the canal in any other than Nicaragua territory; besides, Article XIII provides "that the company shall have the most ample freedom to select the route, etc., and its ports, particularly those serving for entrance and exit in both oceans."

Feeling indisposed this afternoon, I send this by my secretary, Dr. Wellis, who will explain the same to you, and, if convenient to you, receive your reply.

I am, etc.,

LANSING B. MIZNER.

[Inclosure 8, in No. 29.—Translation.]

Señor Guerra to Mr. Mizner.

MINISTRY OF FOREIGN RELATIONS OF NICARAGUA,
Managua, September 26, 1889.

MR. MINISTER: I am in receipt of your excellency's dispatch of yesterday in which you are pleased to intimate to me that you will accept, on behalf of the Maritime Canal Company of Nicaragua, the amendment which I suggested at the conference held to-day in this ministry to procure the definite arrangement of the pending questions between the Government and the said company, provided the following words were stricken out:

Except in what relates to the Atlantic port, which will be settled hereafter between Nicaragua and the company, and if they can not agree within four months from this date, then by arbitration as provided in the contract.

It is certain this condition might give rise to ulterior difficulties with the company, which the Government, desirous of having the work advance without impediment, would wish to avoid; but, as, on the other hand, we can not accept the Atlantic port designated in the submitted plans, I propose to your excellency that the following may be substituted for the clause which I desire to be suppressed:

Excepting the designation of the port on the Atlantic, which must be constructed within coast lines and waters which are exclusively Nicaraguan, in conformity with Article XVI of the Cardenas-Menocal contract.

Thus, then, the plan may be expressed in these terms:

On the other hand, Nicaragua will immediately revoke the orders prohibiting the formal commencement of canal construction, and will also approve the final plans as already submitted, excepting the designation of the port on the Atlantic, which must be constructed within coast lines and waters which are exclusively Nicaraguan, in conformity with Article XVI of the Cardenas-Menocal contract, and will guarantee to the said company all the necessary rights for constructing the canal, in accordance with the said contract, and within the legal power of the Republic.

I am, etc.,

BENJN. GUERRA.

[Inclosure 9 in No. 29.]

Mr. Mizner to Señor Guerra.

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Managua, September 30, 1889.

SIR: I am in receipt of your excellency's note of the 26th instant in reply to my letter of the previous day in which you propose certain amendments to my proposition for the settlement of the pending differences on the subject of the maritime canal, which amendments when substituted for portions of my proposition, you are pleased to say will then read as follows:

The Maritime Canal Company of Nicaragua, constituted and organized in virtue of the Cardenas-Menocal contract passed on the 24th April, 1887, and incorporated by an act of the Congress of the United States of America of the 20th February, 1889, declares:

(1) That in the execution of the work of construction as well as in the operation and administration of the maritime canal, after its completion, the company will adhere strictly to the stipulations of the said contract.

(2) That consequently said company will hold null and void any other obligations contracted by it, under whatever form, in whatsoever may be inconsistent with the said Cardenas-Menocal contract, or contrary to the rights of Nicaragua, whose exclusive sovereignty over the canal and its ports and whose dominion and sovereign jurisdiction over the port of San Juan del Norte and waters of the San Juan River from its origin in the lake to its mouth in the Atlantic, it recognizes and obliges itself to respect.

On the other hand, Nicaragua will immediately revoke the orders prohibiting the formal commencement of canal construction, and will also approve the final plans, as already submitted, excepting the designation of the port on the Atlantic, which must be constructed within coast lines and waters which are exclusively Nicaraguan, in conformity with article 16 of the Cardenas-Menocal contract, and will guarantee to the said company all the necessary rights for constructing the canal, in accordance with the said contract and within the legal power of the Republic.

It gives me great pleasure to say to your excellency that your proposition above stated, being satisfactory to the canal company, is hereby accepted by me for and in behalf of the Maritime Canal Company of Nicaragua, the date of the formal commencement of the work on the canal to be officially fixed as of the date of the revocation of the prohibitory orders heretofore given by your Government.

In thus bringing to an amicable and satisfactory termination these very complicated negotiations, permit me to congratulate you and his excellency the President of Nicaragua for the conciliatory spirit shown in the matter, and to hope that the result of the settlement may be the prompt completion of the canal, a work in which the whole commercial world is so deeply interested.

With assurances, etc.,

LANSING B. MIZNER.

Señor Guzmán to Mr. Adee.

LEGATION OF NICARAGUA,
Washington, October 5, 1889. (Received October 7.)

MY DEAR MR. ADEE: I received, with your favor of the 3d instant, the copy of the substance of Mr. Blaine's cable* to Mr. Mizner, for which I desire to thank you.

Very sincerely,

H. GUZMÁN.

Mr. Mizner to Mr. Blaine.

No. 31.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Managua, October 7, 1889. (Received November 2.)

SIR: I have the honor to acknowledge your cipher telegram, dated Washington, D. C., September 25, 3.30 p. m., a mail copy of which was received here October 1, 10 a. m., which, when translated from the groups of figures in which you sent it, reads as follows:

MIZNER,

American Minister, Managua, Nicaragua:

The Government of the United States has heard with great surprise that some movements are on foot in Nicaragua to impair or possibly destroy the rights of the Maritime Canal Company as embodied in the concession made to that company by the Government of Nicaragua. This Government refuses to believe that Nicaragua would do any injustice to a company chartered by the Congress of the United States and relies implicitly upon the good faith of Nicaragua. Advise me as promptly as you possibly can what situation of affairs has given rise to these disquieting rumors. The Government of the United States can not remain passive if any of the rights of a corporation organized under its own laws shall be threatened with injustice. You will please read this dispatch to the Nicaraguan minister for foreign affairs, Mr. Guerra, and will leave with him a paraphrase, if requested.

BLAINE.

As you are aware, the cable touches at San Juan del Sur, and from there the messages are transmitted to different parts of this Republic by a telegraph system owned by this Government. To guard against reclamations, the cable company directs that copies of all cablegrams delivered there be mailed to the person addressed. I have no means as yet of ascertaining when the cablegram was received at San Juan del Sur. The mail copy reached me, as stated, on the morning of October 1. On inquiry at the telegraph office here as to the cause of the delay in not receiving the original, some confusion was apparent in the manager's answers to my inquiries, and a few hours later he sent me a communication to the effect that the delay occurred in transcribing the

* Mr. Blaine to Mr. Mizner, September 25, 1889, telegram. (See ante, page —.)

telegram at Granada, a point about 50 miles southerly from this capital; the whole distance from here to San Juan del Sur being about 130 miles. On inquiry of business men in Granada, I learn that cablegrams are not transcribed there.

Said telegram has not been answered as promptly as its requirements seem to indicate for the reason that I have been in hourly expectation of a satisfactory settlement of the canal difficulties, of which you will doubtless receive notice by cable before this dispatch reaches you.

I have, etc.,

LANSING B. MIZNER.

Mr. Mizner to Mr. Blaine.

[Telegram.]

UNITED STATES LEGATION, CENTRAL AMERICA,
Managua, October 8, 1889.

BLAINE, Washington:

Telegram unintelligible. Canal difficulties settled with Nicaragua company. The papers executed triplicate with me. Believe it to be satisfactory (to) Costa Rica.

MIZNER.

Mr. Blaine to Mr. Mizner.

[Telegram.]

DEPARTMENT OF STATE,
Washington, October 9, 1889.

MIZNER,

American Minister, Managua, Nicaragua:

It is not necessary to repeat my telegram, inasmuch as substance handed the Nicaraguan minister here 3d instant, and immediate object appears to be accomplished.

Telegraph precisely bases of the settlement. Should Costa Rica raise difficulties, use discreet offices to avert them and advise me by telegraph.

BLAINE.

Mr. Mizner to Mr. Blaine.

[Telegram.]

UNITED STATES LEGATION IN CENTRAL AMERICA,
Managua, October 10, 1889.

Company constructing and operating under Nicaraguan concession, holding void all other obligations inconsistent therewith. Nicaragua approves agreed plans, and protects canal. I think Government of Costa Rica contends her concession not inconsistent with Nicaragua.

Visit there opportune. All settled. Start to Guatemala Saturday next. Will return if you think it necessary.

MIZNER.

Mr. Mizner to Mr. Blaine.

No. 32.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,

Managua, Nicaragua, October 10, 1889. (Received November 2.)

SIR: In my dispatch No. 29 I stated that after the suggested arbitration between Nicaragua and Costa Rica had been declined by this Government, I had succeeded in bringing the Maritime Canal Company and Nicaragua to a satisfactory understanding as to their pending difficulties, a copy of which understanding went with that dispatch as inclosure No. 9, since which time I have had long interviews and much correspondence with this Government on the subject of a preamble to the declaration previously agreed upon, the Government insisting that the Costa Rican concessions made to the canal company should be mentioned in the preamble and the company objecting, and finally after much delay a full agreement was arrived at and duly executed in triplicate, one being left in this legation, a copy of which goes herewith as inclosures Nos. 1 and 2.

Thus ends, for the present, difficulties which have for several months threatened the work of the canal and even its existence, and it is hoped that the enterprise may now be pushed with vigor and your Department relieved from any further considerations of the subject for at least a year.

The resident agent of the canal company in Costa Rica, who has been here for some weeks, informs me that in his judgment the arrangements will be satisfactory to that Republic. If he is correct in his opinion, all parties will then be satisfied, but from the peculiarities of the people of these countries and the tenacity with which they guard their sovereignty, and the intense feeling which seems to exist between the two Republics, it would not be safe to hazard an opinion as to how long it may be before some new alleged cause of complaint will arise.

I have, in friendly conversation with members of the cabinet here, suggested ideas similar to those indicated in my No. 27, and, I think, with good effect. The reading of your cablegram of the 25th of September to them, from its firm and positive character, had a marked influence. As I have notified you, said telegram was not received here until the 1st instant, and was not then answered for the reason that I was in daily expectation that the much discussed "preamble" would be agreed upon, the whole matter closed, and papers signed, so that I could embody all in one cablegram to you, as I did in substance on the 8th instant.

As the canal matter is now all settled, at least for the present, it may not be necessary to allude to the causes of the difficulties, but will do so hereafter, if required. I send, as inclosure No. 3, an article from the leading newspaper of the Republic, which may throw some light on the subject.

I repeat that I have the written authority and consent of the canal company to the preamble and declarations finally agreed upon, as well as to all the steps taken by me in that direction.

Having now been absent from Guatemala for nearly three months, and much business awaiting me there, I will leave here for that place on the 12th instant, and as soon as possible prepare for my visits to Salvador and Honduras, unless you may find it necessary for me to return to Costa Rica or Nicaragua.

I inclose herewith a copy of the letter of the minister of foreign relations of this Republic, tendering the thanks of his Government for our good offices in the premises.

I am, etc.,

LANSING B. MIZNER.

[Inclosure 2 in No. 32.—Translation.]

The Government of the Republic of Nicaragua and the Maritime Canal Company of Nicaragua, desiring to put an end to the difficulties which have arisen between them, whether because of the latter having contracted obligations (compromisos) which the former in its discussions with the company has characterized and objected to as violations of the rights of the Republic and incompatible with the Cardenas-Menocal contract, or on account of the insufficiency of the final plans for the construction of the canal submitted to the approval of the Government, have agreed to make mutual declarations, and to the effect have authorized the Government of the Republic, Don Francisco Javier Medina, minister of public works (Fomento), and the Maritime Canal Company, Mr. H. C. Hall, representative of the same in Nicaragua, who have had before them the general power of attorney, of which a copy is annexed, granted him by the Maritime Canal Company in the city of New York on the 19th day of September last past.

Wherefore Mr. Hall, in the name of the Maritime Canal Company of Nicaragua, and in execution of the orders and instructions received from the same, makes the following declaration:

The Maritime Canal Company of Nicaragua, constituted and organized in virtue of the Cardenas-Menocal contract, ratified the 24th of April, 1887, and incorporated by an act of the Congress of the United States of America, dated 20th February, 1889, declares:

First. That in the execution of the work of construction, as well as in the administration and operation of the Maritime Canal after completion, the company will adhere strictly to the stipulations of said contract.

Second. That consequently, the said company will hold null and void any other obligations contracted by it, in whatever form, in whatsoever they may be incompatible with the said Cardenas-Menocal contract or contrary to the rights of Nicaragua, whose exclusive sovereignty over the canal and its ports, and whose dominion and sovereign jurisdiction over the port of San Juan del Norte and the waters of the San Juan River from its origin in the lake to its mouth in the Atlantic it recognizes and obliges itself to respect.

And Señor Medina, in the name of the Republic of Nicaragua, declares:

First. That the said Government holds revoked from this day the orders which prohibit the formal initiation of the works of maritime canal construction and approves the final plans, as the same have been presented, excepting the designation of the port in the Atlantic, which must be constructed on coasts and in waters exclusively Nicaraguan, in conformity with Article XVI of the Cardenas-Menocal contract, and it will guarantee to the Maritime Canal Company all the rights necessary to construct the canal in accordance with the said contract and in all whatsoever depends upon the lawful power of the Republic.

Second. That from this same date the work of the maritime canal construction shall be held to have commenced.

In faith of which they have signed this act in triplicate in Managua the 8th day of October, 1889.

[SEAL.]

HENRY C. HALL.
F. J. MEDINA.

The undersigned envoy extraordinary and minister plenipotentiary of the Government of the United States of America in Nicaragua, in virtue of his good offices for the settlement of the difficulties which are pending between the Government of this Republic and the Maritime Canal Company of Nicaragua, certifies that the terms of this act are in entire conformity with those accepted by both parties, in the negotiations between them, as evinced by the correspondence between the

legation in charge of the undersigned, and his excellency, the minister of foreign relations of the Government of Nicaragua.

Managua, 8th of October, 1889.

LANSING B. MIZNER.

The Government in view of the terms of the foregoing act, and finding them in conformity with the instructions communicated to the minister of fomento, concedes its approval.

Managua, 8th of October, 1889.

ROBERTO SACASA.

The minister of fomento:

J. F. MEDINA.

[Inclosure 3 in No. 32.]

[From El Diario Nicaraguense, published at Granada, Nicaragua, October 3, 1889.—Translation.]

THE CANAL MATTER.

We were pleased with the reports which were circulated that the questions raised between the Government and the Maritime Canal Company had been satisfactorily settled, when we received from Managua a letter from a seemingly well-informed person in which we are advised that the difficulties are renewed at the time when they appeared definitely settled. In this letter we are told that the company makes a satisfactory declaration for Nicaragua, promising to submit strictly to the Cardenas-Menocal contract and declaring, therefore, null and void any obligation it may have contracted in violation of this contract or of the rights of Nicaragua, whose sovereignty in the port and waters of San Juan Del Norte from its origin in the lake to its mouth in the Atlantic it recognizes.

With this highly satisfactory declaration, authorized by cables of the company and by the intervention of the American minister, the Government was ready to revoke the orders prohibiting the beginning of the work. But upon the preparation of the preamble of the mutual declarations, unnecessary and tart remarks are made in the proposition of the Government upon the act of making the Zeledon-Menocal contract, and this has prevented the arrangement of the question.

The letter says: "It is believed here that the Government does not want the canal, and terminant declarations in that sense are attributed to one of the ministers."

We do not believe that there are to be found in the cabinet propositions contrary to an old national aspiration—to an idea which has been cherished since the time of the promoters of our political emancipation as the brightest hope of prosperity and aggrandizement. But we do fear that an exaggerated jealousy of our territorial rights may jeopardize the work of our regeneration and subserve interests contrary to our progress.

The question which is being discussed at present in the cabinet at Managua is of the utmost transcendancy for the interests and the prosperity of the Republic. An imprudent stroke of the pen in favor of or against the great enterprise which is knocking at our doors might compromise in a grave way our most sacred rights and the future of the Republic. To do a wrong act in the matter at issue, or to omit to do the right thing at the opportune moment, might be equally opposed to the welfare and prosperity of the Republic.

Why, therefore, does not the Government in such a critical situation endeavor to relieve itself of its responsibility by uniting in its council the opinion of the country? This would be in accord with the declarations made in the President's inaugural speech, and the resolution adopted could count on the support of the nation.

[Inclosure 4 in No. 32—Translation.]

Señor Guerra to Mr. Mizner.

DEPARTMENT OF FOREIGN RELATIONS OF NICARAGUA,
Managua, October 10, 1889.

MR. MINISTER: I acknowledge the receipt of your excellency's note of the 7th instant, in which you transcribe to me the preamble proposed by this ministry in my note of the 4th to the act to be signed for the settlement of the questions pending between the Government and the Maritime Canal Company of Nicaragua, and you state that the agent of the company has given it his entire approbation, and that it has also merited your own; that therefore we could proceed, as in reality was realized on the 8th instant, with the signing of the mutual declarations previously agreed upon.

It is my duty to express to your excellency that my Government is highly satisfied with the friendly and important offices that you have rendered in favor of the felicitous and honorable termination of that affair, and for the same reason it extends to you its most expressive thanks.

With assurances, etc.,

B. GUERRA.

Mr. Mizner to Mr. Blaine.

No. 41.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, November 5, 1889. (Received November 23.)

SIR: Referring to my dispatch No. 32, dated at Managua, October 10, on the subject of the interoceanic canal and in continuance thereof, it is proper to state that on leaving Nicaragua I requested the agents of the canal company in Costa Rica and Nicaragua to keep me informed on any and all matters of interest connected with the canal to the end that I might forward the same to the Department.

I am in receipt of a letter from Mr. Louis Chable, the resident agent of the company in Costa Rica, dated San José, October 20, 1889, in which he sends me a copy of a letter received by him from the minister for foreign relations of that Republic, a copy of which please find herewith as inclosure No. 1, from which it will be seen that in substance the settlement of the canal question made, as stated in my said dispatch of No. 32, will, it is thought by the minister, be satisfactory to Costa Rica.

The only point about which there can arise any serious difficulty, being the requirement in the settlement that the company is to recognize the exclusive sovereignty of Nicaragua in the port of San Juan del Norte but this will become wholly immaterial if the Atlantic entrance to the canal is removed to Rio Indio, 7 miles northerly from San Juan, which now appears to be the intention of the company, but if the entrance is to be retained at San Juan, a clear knowledge of the situation, and the respective rights of the two Republics in said port may be of use to the Department, and the better to illustrate the matter, I send herewith a map of the premises as inclosure No. 2, on which I have marked in red the lands of Nicaragua, and the lands of Costa Rica in yellow, leaving the "island" subject to the one or the other

country as may hereafter be determined by the location of the main channel of the San Juan River at C or D.

The treaty of 1858 between Nicaragua and Costa Rica declared valid by the second award of President Cleveland provides that the boundary between the two countries shall begin at Punta Castilla, etc., and that the bay of San Juan Del Norte shall be common to both.

An inspection of the map will show that it is quite impracticable to use the port for a canal entrance without crossing lands belonging to Costa Rica, and also of using waters held in common by the two Republics, if the port is the sheet of water referred to in the treaty. The better opinion now is that the port was intended as the place to be held in common.

The confusion as to the "port" and "bay" is set forth in my No. 29, together with the verbal admission of the respective cabinets.

The inconsistency of the requirement that the company should recognize the executive sovereignty of Nicaragua in the port, while at the same time practically asserting that the canal entrance can not be at the port, for the reason that Costa Rica is joint owner there, is properly treated by the Costa Rican minister when he states that the action of the canal company can not affect the rights of the parties.

I am quite confident that there is no such conflict between the respective concessions of Nicaragua and Costa Rica to the canal company as should give either any serious cause of complaint, and if there should be any complaint, I think both parties are now disposed to submit the matter to arbitration, either as provided in the concessions or to some friendly power.

I have, etc.,

LANSING B. MIZNER.

[Inclosure in No. 41.]

Señor Fernandez to Mr. Chable.

MINISTRY OF FOREIGN RELATIONS,
San José, October 9, 1889.

Mr. LOUIS CHABLE,

Agent Nicaraguan Canal Company, Managua:

This ministry is in receipt of your attentive note dated at Managua on the 25th ultimo, and in which you submit for the consideration of this Government the résumé of the negotiations which took place between the Government of Nicaragua and the agents of the Maritime Canal Company. You begin by saying that the arrangement proposed by the minister of the United States, in conformity with the memorandum of this ministry of September 6, was rejected by the Government of Nicaragua because the latter is unwilling to entertain any plan which contemplates the settlement of the difficulties by means of arbitration. You add that the Government of that Republic insisted that the company should sign a declaration to the effect that it will construct the canal strictly and exclusively in accordance with the stipulations of the Cardenas-Menocal contract, but this being a repudiation of the Zeledon-Menocal contract, the proposition was rejected by the company. You mention finally that after various propositions and counter-propositions the Government of Nicaragua submitted to the company, through the medium of Minister Mizner, the agreement set forth in the memorandum which you were pleased to annex to your letter both in

the English and Spanish languages, agreement which you say is pending and waiting the approval of the canal company.

The President of the Republic has given me instructions to answer you, as follows: Costa Rica has no objections to make to the memorandum referred to as a whole. That the company should obey strictly the stipulations of the Cardenas-Menocal contract in the construction of the canal and its future operation is perfectly reasonable, since a contract, duly executed, is operating as a law between the parties. And just as Costa Rica has a perfect right and a firm will to demand that the company comply with any and all of the stipulations of the Zeledon-Menocal contract, it recognizes also the right of Nicaragua to demand the same on its part. As far as the declaration of the company is concerned, which is set forth in the second paragraph of the memorandum, in regard to its holding null and void any other obligations contracted by it which may be incompatible with the Cardenas-Menocal contract, my Government does not know to what obligations it could refer; but it is certain that it will not refer to those obligations assumed by the company in favor of Costa Rica, since nothing that forms the substance of the Zeledon-Menocal contract opposes in the least the rights of the neighboring Republic. Such a declaration, Mr. Agent, does not therefore affect Costa Rica in any way, and I will only detain myself a moment more on the subject to rectify an error made in the second paragraph, which consists in saying that Nicaragua has dominion and sovereign jurisdiction over the port of San Juan del Norte. The bay of that name is common property of Costa Rica and Nicaragua as recognized by the Canas-Jerez treaty.

But as the canal company has no authority to decide which are the rights of this Republic in that bay, its opinion on this question is merely an individual one which this summary rectification sufficiently corrects for the purposes of my Government. I answer thus your attentive note, and am the canal company's agent's obedient servant.

MARIO FERNANDEZ.

Mr. Blaine to Mr. Mizner.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 12, 1889.

MIZNER, *Minister, Guatemala:*

Business touching canal, which agent, Mr. Hall, who will meet you, will fully explain, demands your presence at San José, Costa Rica. Reach there if practicable by 20th.

BLAINE.

Mr. Mizner to Mr. Blaine.

[Telegram.]

UNITED STATES LEGATION, CENTRAL AMERICA,
Guatemala, November 13, 1889.

Telegram received last night. Start this morning. Know very little of new canal trouble. Instruct me further by cable at San José, in Costa Rica.

MIZNER.

Mr. Mizner to Mr. Blaine.

No. 49.]

LEGATION OF THE UNITED STATES

IN CENTRAL AMERICA,

Guatemala, December 13, 1889. (Received January 3.)

SIR: As directed by your cable instruction of the 12th of last month, I proceeded to Costa Rica on the business of the Nicaragua Canal Company, leaving this city on the 15th and arriving at San José De Costa Rica on the 24th of November.

There I met Mr. Hall and Mr. Chable, the agents for the canal company for Nicaragua and Costa Rica, respectively, and introduced them to His Excellency Señor Don Ricardo Jimenez, minister of foreign relations of the latter Republic, with the request that he would extend to them such favorable consideration in the matter of the interoceanic canal as might be for the best interest of the two Republics and of that important work. He was exceedingly kind and polite, and after a few interviews, an arrangement, as suggested by the canal agents, was agreed upon, a copy of which is set forth in inclosure No. 1, and translation thereof, No. 2, herewith.

On the 29th of November, I cabled to you, in cipher, the true reading of which is as follows:

BLAINE, *Washington*:

Canal question settled satisfactory to company. Costa Rica has suspended the concession for two years. Will leave for Guatemala to-morrow.

Confidential.

MIZNER.

It was understood between the minister of foreign relations and the canal agents that the agreement should be private for the present.

It is to be hoped that there will be no further political troubles in the matter. I am now quite well acquainted, and on friendly terms with nearly all the public men in power or likely to be in power for some years to come in each of the Republics, and feel quite confident that both Governments will lend their support to the enterprise.

I thanked Señor Jimenez for his courtesy in giving the prompt attention he did to the object of my visit, so as to permit my return to this city by the first steamer leaving Costa Rica for the North after my arrival there, reaching here on the 11th instant, being as quick as the trip can usually be made between this capital and that of Costa Rica.

I have, etc.,

LANSING B. MIZNER.

[Inclosure 2 in No. 49.—Translation.]

The Government of Costa Rica and the Maritime Canal Company of Nicaragua, represented, respectively, by the secretary of state in the ministry of foreign relations, Don Ricardo Jimenez, and Don Luis Chable, representative of said company in this Republic, with the friendly intervention of the minister of the United States of America in Central America, Mr. Lansing B. Mizner, acting under instructions of this Government, have agreed that—

I.

The canal company, in view of the communication of the Government of Costa Rica to the agent of the company in this Republic, dated October 28 of this year, which requests categorical answers to the following points:

First. Does the canal company consider itself released from the obligations it contracted with Costa Rica through the Zeledon-Menocal contract by the fact that it signed in Managua, on October 8 of this year, the act of joint declaration with the Government of Nicaragua?

Second. In the negative case, is the company disposed to seat in the board of directors the director Costa Rica is entitled to according to the stipulations of article 10 of the Zeledon-Menocal contract?

Answers as follows:

First. The Nicaragua Canal Company does not consider itself released from the obligations contracted with Costa Rica in virtue of the Zeledon-Menocal contract by the fact that it signed in Nicaragua the joint declaration of October 8 last.

Second. The company is disposed to seat in its board of directors the director to which Costa Rica is entitled according to the stipulations of article 10 of the contract of July 31, 1888.

II.

The Government of Costa Rica and the Maritime Canal Company of Nicaragua agree not to exact of each other during the period of two years the observance of the mutual obligations referred to in said contract of July 31, 1888.

III.

After the lapse of the term of two years mentioned in the preceding article the aforesaid contract of July 31, 1888, shall by right have full force and effect.

IV.

Even before this term expires the said contract shall by right be equally in full force and effect from the time that, in the work of construction of the canal, use shall be made of territory belonging exclusively to Costa Rica, or when injury shall be done to the free navigation of the waters in which Costa Rica has such right of navigation.

V.

The Government of Costa Rica agrees that the buildings and canal works which are already constructed on Costa Rican territory shall remain undisturbed without this being considered as a violation of the stipulations of article 4.

VI.

Notwithstanding the provisions of article 2, the company shall deliver to the agent named by the Government to receive the same the shares of capital stock to which Costa Rica is entitled in virtue of the contract of July 31, 1888, whenever it shall be ready to issue its shares or certificates of capital stock.

VII.

The company remains bound to keep a representative in Costa Rica, vested with ample power for everything that may be of interest to the enterprise, either actively or passively.

VIII.

Any misunderstanding which may arise between the Government of Costa Rica and the canal company shall be settled by means of the arbitration established in article 49 of the contract of July 31, 1888, in faith of which the present agreement is signed in triplicate at San José de Costa Rica, the 29th day of November, 1889.

RICARDO JIMENEZ.
LOUIS CHABLE.

PRESIDENTIAL PALACE, *San José, November 29, 1889.*

Having seen the foregoing agreement, and finding it in conformity with instructions given to the secretary of state in the ministry of foreign relations, the acting President, in the exercise of the executive power, decrees to approve it in all its parts.

DURAN.

The minister of state in the ministry of foreign relations:

RICARDO JIMENEZ.

[Inclosure in No. 49.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,

San José, Costa Rica, November 29, 1889.

I, the undersigned, envoy extraordinary and minister plenipotentiary of the United States of America near the Government of the Republic of Costa Rica, certify:

That the terms of the foregoing agreement are in conformity with those accepted by the Government of Costa Rica and the Maritime Canal Company of Nicaragua at the conference held on the 28th day of November, 1889, between the duly authorized agent of the said company and his excellency the minister for foreign affairs of the said Republic, at which I was present and made use of my friendly intervention, in virtue of the instructions of my Government.

LANSING B. MIZNER.

[Inclosure in No. 49.]

SAN JOSÉ, COSTA RICA, *November 29, 1889.*

SIR: The undersigned, Henry C. Hall, agent of the Maritime Canal Company of Nicaragua, duly authorized by two general powers of attorney from said company, both dated at New York City, the one on the 19th day of September, 1889, and the other on the same day of the same month, empowering him, the said Hall, to act for and in all respects to represent the said company in all its contracts, business transactions, and negotiations with the republics of Nicaragua and Costa Rica, and the undersigned, Louis Chable, agent of said company in Costa Rica, as provided for in Section X of the concession of said Republic to said company, do hereby agree for said company to the foregoing arrangement with Costa Rica, and consent to the same, and request you to submit it to the Government of Costa Rica, and if accepted by said Government to certify to the same.

HENRY C. HALL.
LOUIS CHABLE.

Hon. LANSING B. MIZNER,
United States Minister in Central America.

[Left by Señor Guzmán with the Secretary (Mr. Blaine), June 28, 1890.]

Extract from the Cardenas-Menocal contract of March 23, 1887, between the Republic of Nicaragua and the Nicaragua Canal Association of New York.

ART. 50. In consideration of the valuable privileges, franchises, and concessions granted to the company by this contract the Republic shall receive in shares of stock, bonds, certificates, or any other titles which the company may issue to raise the corporate capital, six per centum of the total amount of the issue. These shares of stock, bonds, certificates, or other titles shall be free from any payment on the part of the Republic, being considered as paid in full. In no case must the six per centum be less than four million dollars; that is to say, forty thousand shares or titles of whatever class at one hundred dollars each.

Of the said shares, bonds, certificates, or titles, of whatever class, two-thirds shall be nontransferable, but all of them must participate in the benefits, interests, distributions, dividends, redemptions, rights, privileges, and all the advantages assigned to paid-up shares, without any difference whatever.

As a shareholder the Government shall have, besides, the right to appoint a director to represent its interests in the board of directors of the canal company from the moment that this company is definitely established. The shares of which this article treats shall be delivered to the agent designated by the Government to receive them as soon as the company is ready to issue the certificates of its capital.

Mr. Mizner to Mr. Blaine.

No. 154.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, September 5, 1890. (Received September 15.)

SIR: Señor Gilberto Larios, special envoy extraordinary and minister plenipotentiary to this Republic from Nicaragua, has represented to me that he was directed by his Government to hold an interview with me on the subject of the Nicaragua Canal, touching the obligations of the canal company to construct the work exclusively in Nicaraguan territory, and more particularly to consult me on the true location of "Point Castilla," the starting point of the boundary line on the Atlantic between Costa Rica and Nicaragua, as designated in the treaty between those two States April 15, 1858, and President Cleveland's award, Señor Larios at the same time requesting that a memorandum of our conversation be made.

This request I respectfully declined further than to say that in the months of August, September, and October of last year I had fully considered the matter, reporting the results to my Government, where such information on the subject as might be proper would doubtless be furnished to him or to his Government.

The matters discussed will be found in my 26, 27, 28, 29, and 32.

I requested Señor Larios to thank the President of Nicaragua for his courtesy in seeking the interview, and expressed the hope of my Government that no obstacle would be interposed to the completion of the canal.

It will be remembered that the year in which the company was to expend \$2,000,000 expires the 24th of next month, and the interview sought as above narrated may have some connection therewith.

I have, etc.,

LANSING B. MIZNER.

Mr. Mizner to Mr. Blaine.

No. 210.]

LEGATION OF THE UNITED STATES
IN CENTRAL AMERICA,
Guatemala, November 24, 1890.

SIR: I have the honor to inform you that I am just in receipt of a telegram from the agent of the Nicaragua Canal Company in Nicaragua to the effect that all the terms and conditions of the forty-seventh article of the Cardenas-Menocal contract of 1887 for the construction of the

interoceanic canal in that Republic have been satisfactorily arranged and terminated.

It is with pleasure that I communicate this news, as of late some apprehension has existed on the subject of the ability of the company to comply with its obligation to expend \$2,000,000 by the 24th of October, 1890, as required by said article.

In my No. 32 of the 10th of October, 1889, I inclosed a copy of original settlement made between the Republic of Nicaragua and the canal company, to which reference is made.

I have, etc.,

LANSING B. MIZNER.

Mr. Blaine to Señor Guzmán.

DEPARTMENT OF STATE,
Washington, December 16, 1890.

SIR: I have the honor to acknowledge the receipt of your note of the 13th instant stating that the Nicaragua Maritime Canal Company has fully complied with the provisions of article 47 of the Cardenas-Menocal contract, and to say in reply that the Government of the United States fully shares the gratification of the Government of Nicaragua in the prospect of the evidently secured completion of this imposing highway across the continent.

Accept, etc.,

JAMES G. BLAINE.

Señor Guzmán to Mr. Blaine.

[Translation.]

LEGATION OF NICARAGUA,
Washington, January 22, 1891. (Received January 22.)

SIR: In conformity with our conversation of this morning, I have the honor to send to your excellency the English translation of the cable message which I received from the minister of foreign affairs of Nicaragua in reference to the bill presented to the Senate of the United States by the Committee on Foreign Relations, which bill concerns matters of direct interest to the Nicaragua Canal Company.

As I stated orally to your excellency, and as you will see by the copy of the telegram referred to, my Government instructs me to bring this matter to your excellency's knowledge.

For the better understanding of the telegram in question, I deem it proper to send to your excellency, as, in fact, I hereby do, a full copy of the agreement signed at Managua on October 8, 1889,* between the Government of Nicaragua and the canal company with the friendly mediation of the minister of the United States.

I repeat to your excellency the assurances, etc.,

H. GUZMÁN.

[Inclosure.—Translation of telegram.]

MANAGUA, January 21, 1891.

Minister GUZMÁN, Washington:

Your cablegrams received. The canal contract of Costa Rica is null. You are directed to publish the agreement signed on the 8th of October,

* See ante, Mr. Mizner to Mr. Blaine, No. 32, October 10, 1889.

1889, between the Government of Nicaragua and the canal company. Nicaragua has perfect right to the 6 per centum of the bonds issued. You must abide by article 50 of our canal contract. You are directed to see Mr. Blaine in regard to this matter. Keep me informed of the progress made by the bill.

GONZALEZ,
Assistant Secretary of State.

Mr. Shannon to Mr. Wharton.

No. 125.]

LEGATION OF THE UNITED STATES,
Managua, June 28, 1892.

SIR: I have the honor to report that, having received no reply to my cablegram, in cipher, of the 11th instant, I sent another cablegram on the 20th instant from San José, Costa Rica, to the Department, as follows:

Return to my post.

The same day I left San José by rail for Limon, and finding a steamer there ready to convey me to San Juan del Norte, I arrived at the latter port on the morning of the 21st.

As no steamer was to leave for the interior till the 25th, an excellent opportunity was afforded me during the interval to view the works of the Nicaragua Canal Construction Company, of which I availed myself.

Accordingly, on the 23d instant, accompanied by Mr. Braida, the United States consul at San Juan del Norte, and Mr. Perez, the division engineer in charge of the canal works, I first visited the machine shop and accompanying buildings, all located at a convenient distance, but near the wharf, and then made a trip over the railway—now constructed for 11 miles—which was found to be in excellent running order; inspected the camp at the terminus, which is located a little beyond where the first lock of the canal is to be constructed, and subsequently visited the breakwater or main pier—now about 1,000 feet in length—where the work of filling in between the piles with bags of cement and stone was going forward.

As to this breakwater, there can be no doubt of the enormous benefits which have accrued to the harbor by its construction. Its expected action has been realized in part already, and will be fully so when the proposed extension has been completed. One immediate result was the restoration of a harbor that had been practically closed for years, so far as access by large vessels was concerned; and where a sand bar formerly existed right across the entrance, rising 3 feet above the water level, there is now a channel from 10 to 12 feet deep. When crossing the bar on the morning of the 21st the soundings in the channel as we advanced showed a depth of 10, 12, and even 14 feet.

While standing on the pier I noticed a steamer lying at anchor inside and far up toward the town of San Juan del Norte, and upon inquiry was told it was the coasting steamer *Carazo*, drawing only 6½ feet of water—the very steamer which some unfriendly critics had stated, a few months ago, would soon be unable to effect an entrance on account of the rapid filling up of the harbor with silt from the river. A more explicit denial of that absurd statement could hardly be conceived.

Subsequently I visited one of the largest dredges that was at work near by deepening the channel, and it was clear to me from the rapid

work of excavation performed by this one dredge that the task of securing harbor facilities for the largest steamers could be easily accomplished.

We afterwards steamed up that portion of the canal already dredged, and which is nearly a mile in length. Upon inquiring, I was told by Mr. Perez, the division engineer in charge, that at the present time there was a small but very efficient force of only about 250 to 300 men employed on the canal works, though everything is in such excellent condition that a force of several thousand can at once be employed so soon as the arrangements of the construction company have been completed for attacking the heavier tasks of this gigantic undertaking, such as the long rock cut through the eastern divide, the construction of the embankments, locks, etc.

On the 25th instant, after making a visit to the hospital, which was found admirably organized and in perfect order, I set out on my voyage up the San Juan River, crossing Lake Nicaragua and reaching Granada at about 9 a. m. yesterday. Thus my return journey from San Juan del Norte to Granada had been accomplished in less than forty-eight hours, a result due, of course, in large part, to the high water in the river at this season of the year; but much praise, at the same time, is due to the able management of Mr. Robert Walker, the gentleman in charge of the Nicaragua Mail Steam Navigation and Trading Company, a most important enterprise which the Nicaragua Canal Construction Company acquired by purchase in 1889. Its steamers and plant are in splendid condition, and the enterprise is now rendering better service to this country than ever before.

I have this day sent the following cablegram in cipher to the Department:

Arrived yesterday.

I have, etc.,

RICHARD CUTTS SHANNON.

Mr. Baker to Mr. Gresham.

No. 191.]

LEGATION OF THE UNITED STATES,
Managua, Nicaragua, January 11, 1894.

SIR: On the morning of the 9th instant I returned to this legation from a hasty trip to Greytown, where I spent almost three days in a patient examination into the troubles which have arisen between the local officials of the Government of Nicaragua and those having charge of the property of the Maritime Canal Company.

I regret to be compelled to say in all candor that the action and the general tone of the conversation of those officials impressed me as being unfriendly toward Americans and American interests. I saw many evidences that the citizens of both England and Germany were treated with more consideration than are Americans. There was no effort to disguise that fact. On the contrary, the evidences of its existence were rather paraded before my eyes than sought to be concealed.

The inclosed correspondence is self-explanatory and is respectfully submitted.

I am, etc.,

LEWIS BAKER.

[Inclosure with dispatch No. 191.]

Mr. Baker to Señor Madriz.

LEGATION OF THE UNITED STATES,
Managua, Nicaragua, January 11, 1894.

SIR: I most respectfully beg to submit for your consideration a letter just received from the special agent in this country of the Nicaragua Maritime Canal Company, which holds its corporate powers from the United States and whose privileges are guaranteed by treaty between that country and this.

I deem it my duty to present the complaint contained in this paper to your Government, and I do so in the confident belief that the wrongs complained of will be promptly and impartially investigated and that where illegal acts have been perpetrated by officers of this Government, such actions will be reversed and justice made to prevail.

With high consideration I am, sir, your obedient servant,

LEWIS BAKER.

[Inclosure in dispatch No. 191.]

MANAGUA, NICARAGUA, *January 10, 1894.*

DEAR SIR: As special agent of the Nicaragua Maritime Canal Company, representing said company in Nicaragua, it becomes my duty to appeal to you in your official capacity for protection of the company's property situated in the city of America, Nicaragua, basing an appeal upon the following facts:

(1) By purchase under the contract between the Nicaragua Maritime Canal Company and the Nicaragua Canal Construction Company all the so-called canal property situated in America became the property of the Nicaragua Canal Company. I attach documents, properly attested, to prove this transfer.

(2) E. L. De Souza, of Greytown (San Juan del Norte), a creditor of the Nicaragua Canal Construction Company, has seized and sold and bought in a portion of said property of the Nicaragua Maritime Canal Company to satisfy his claim against the Nicaragua Canal Construction Company.

(3) Although article 55 of the concession granted to the Maritime Canal Company by the Government of Nicaragua provides that all claims against said company, or all claims of said company against others, shall and must be tried in the regular courts of Nicaragua, as represented in the city of America, with the right to appeal to the supreme court of the country, unless said canal company shall voluntarily waive such right, the governor of America has, without consent of said company and in spite of the protest of the American consul at San Juan del Norte, arbitrarily transferred the suit of E. L. De Souza from the regular court of America to the irregular court or special court of San Juan del Norte.

(4) That when the special agent of the Nicaragua Maritime Canal Company entered a claim for attachment of the property of said company illegally in the possession of E. L. De Souza before the governor of America, said governor refused to allow the attachment.

(5) That when the said agent appealed from the decision of the court of America to the supreme court of Nicaragua the governor of America denied to sanction or allow the appeal.

In view, therefore, of these facts I ask, in the name of the Nicaragua Maritime Canal Company, that its property, machine shops, and four lighters, now in the possession of E. L. De Souza by decree of the San Juan del Norte courts, be returned to the rightful owners, the Nicaragua Maritime Canal Company, which is not, and never has been, the debtor of said De Souza.

Furthermore, I wish to state that the attitude and action of the governor of San Juan del Norte and America have throughout these proceedings been such as to justify the claim of the Maritime Company that it is impossible to obtain justice through the courts under his jurisdiction, and I am compelled to call the attention of your honor to the fact officially. I will append the following facts in support of my statement:

(1) The governor allowed the transfer illegally of the suit of De Souza against the construction company, from the court of America to that of San Juan del Norte.

(2) The American consul on November 25, having received documents from the American minister, Hon. Lewis Baker, and the special agent of the Maritime Canal Company at Managua, entered a protest before the governor of America against the trial of the de Souza suit in the courts of San Juan del Norte, basing his protest upon article 55 of the canal concession.

The governor five days thereafter replied that he had transferred the case to the judge of San Juan del Norte and that he could not interfere. Therefore on December 1, 1893, the consul entered a second protest setting forth:

(a) That the city of America had been temporarily, for economic reasons, annexed to San Juan del Norte, and the governor of San Juan del Norte united with the functions of governor and judge of America.

(b) That the suit of De Souza was first entered before him in his capacity as governor and judge of America in accordance with article 55 above referred to.

(c) That the transfer to the court of San Juan del Norte was illegal and in direct violation of said article 55.

The consul demanded that this illegal suit should be thrown out of the court of San Juan del Norte.

(3) The consul appointed as curator of the Maritime Canal Company H. W. Malitz, and notified the governor of America of this appointment. The governor immediately acknowledged receipt of the notice and made no objection to the appointment.

(4) The curator at once presented himself before the governor of America and claimed the disputed property in the name of its legal owners, viz, The Nicaragua Maritime Canal Company. He showed papers which he had received through the American minister and consul from the company's agent at Managua proving the Maritime Canal Company to be the legal owners of said property. No reply was received for a number of days, when he informed the curator that he had thrown out the case of the courts of America and refused also to recognize him as curator, stating that the consul had not the power to appoint him.

(5) The governor also stated that he was not sure that S. C. Braida was in fact the United States consul (this he stated in his sentence). This offensive statement was made in spite of the facts:

(a) That the governor had repeatedly hitherto recognized the American consul officially.

(b) That about the same time he received and acted upon a protest from the German consul without requiring proof of his consulship.

During Consul Braida's service as United States consul in San Juan del Norte two years have passed, and he has held official relations with seven different governors without being asked to show his certificates.

(6) Early in December the United States consul received notices from the company's agent that the minister of foreign relations had telegraphed instructions to Governor Rivas instructing him to allow no judgments to be taken against the property of the Maritime Canal Company until first judgment had been passed at Managua. The consul called the governor's attention to this fact and he denied the receipt of such an order. Subsequently he acknowledged to the consul and to J. E. Stubbert, the company's agent, that he did receive it.

(7) The consul informed the agent that the governor had no such order, whereupon the agent obtained a copy of said order from the minister of foreign relations and forwarded it to the consul, who in person delivered it to the governor. The latter refused to obey.

(8) On the 3d of January, 1894, J. E. Stubbert, special agent of the company, holding full power, called upon the governor of America and laid claim, verbally, to the property.

At first the governor wished to talk as governor of San Juan del Norte, but the agent declined to thus address him, basing his refusal upon article 55, before referred to. The governor then concluded to hear him as an official of America. Finally the governor refused to interfere in the matter.

(9) The same day the agent again called upon the governor of America and presented his claim to the property in writing.

(10) The following day the governor rendered an answer declining to allow the agent to attach the property.

(11) The agent then applied to have the case certified to the supreme court of Managua, and the governor refused to allow the appeal.

The agent informed him he should appeal despite his verdict.

(12) The governor is totally ignorant of the laws bearing upon the case, and when the company's lawyer appeared before him there was no copy in the governor's office of either the *Gaceta Oficial* of November 18, 1889, recording the decree setting aside the city of America, or of *Memoria de Gobernacion, Justicia, etc.*, of 1891. The American consul was obliged to furnish the copies of Nicaraguan legal acts for the information of a Nicaraguan official.

(13) Also, when the company's agent presented an original copy of the records of transfer of property between the two companies in substantiation of his claim, the governor said, "I do not see what this has to do with the case;" and then acknowledged that although the company's lawyer had presented him a copy of said paper early in the proceedings he had not examined it. In other words, he acknowledged to having allowed a judgment adverse to the canal company without taking the trouble to examine their defense.

(14) I also assume that undue influence has been brought to bear upon the governor and judge, for after the granting of verdict, the common report asserts, undenied, that "the governor, judge, and jury were taken to a saloon and toasted by E. L. De Souza." Furthermore, on the day that the agent made his claim, between the time of making such claim and its refusal by the governor, he (the governor) was seen by the United States consul and the company's lawyer coming out of the house of E. L. De Souza bearing in his hands legal documents resembling those handed him by the agent. He found time for this visit, and doubtless consultation, in spite of "press of office work, which will, I fear, prevent me from rendering a decision to-day."

(15) I also declare it to be my opinion that, not having read the papers offered in defense of the canal company, and not having in his office the laws bearing upon the case, the governor could not have written the sentences returned to the United States consul; and also that the mass of evidence and the general atmosphere of hostility toward American interests and citizens evinced by the local government of America, and San Juan del Norte show that the case was judged before it was tried. I do not care to speak more plainly.

In the name of the Nicaragua Maritime Canal Company, I therefore reassert my full conviction that justice is not obtainable in the courts of the city of America, and ask the intervention of your honor and the country you represent.

Respectfully,

JAMES E. STUBBERT,

Special Agent of the Nicaragua Maritime Canal Company.

Hon. LEWIS BAKER,

United States Minister to Nicaragua, Costa Rica, and Salvador.

Mr. Baker to Mr. Gresham.

No. 197.]

LEGATION OF THE UNITED STATES,

Managua, January 18, 1894.

SIR: I beg leave to submit to you additional correspondence concerning the canal company's controversy.

I am, etc.,

LEWIS BAKER.

[Inclosure No. 2, dispatch 197.—Translation of inclosure No. 1.]

Señor Madriz to Mr. Baker.

NATIONAL PALACE,

Managua, January 13, 1894.

MR. MINISTER: I have the honor to acknowledge your excellency's communication, which the American consul (at San Juan del Norte) presented to this ministry, accompanied by various documents, which serve as a basis of a complaint which that official directed against the authorities of San Juan del Norte, founded on the following reasons:

First. Against the judge of the peace of said port for having passed upon a document of Mr. E. L. De Souza against the construction company of the canal of Nicaragua in a manner which, in the opinion of the consul, did not conform to the law and justice.

Second. Against the governor for having refused to deliver some personal effects of a deceased American citizen—Alexander Morris. These articles were claimed by the consul in order that he might place them in the hands of a curator to be named by him.

Third. The consul complains of the bad care which has been extended to the smallpox patients by the authorities who placed them in isolation.

My Government heartily wishes that these complaints be remedied, and that you, as well as the American consul, may be fully satisfied as to the good disposition of the Government, and that you will be convinced that all public authorities—the acts of the administrative power as well as the judicial—are subject to a strict conformity to the law, and that in all things which relate to the interests of strangers the

stipulations of the treaties binding this Republic to the friendly States are regarded with religious fidelity.

In reference to the first point, I want, first of all, to state to you that, treating of a subject which pertains by its nature to the judicial power, a branch which is not subject to this department of the Government, I immediately addressed myself to the minister of justice, in order that with a clear knowledge of the subject, he may dictate the measures which he believes proper in order to decide the justice of the complaint in harmony with the laws of Nicaragua.

Further than this, I shall enter into some explanations based upon data which I have obtained, and which I hope may dispel from your mind the bad impression which the action referred to may have produced upon it. The demand of Mr. De Souza was directed against the construction company of the canal of Nicaragua for a debt which was contracted in San Juan del Norte. According to our general proceedings, the judge of the peace in which the contract is signed is competent to try the case against the construction company. This company, as you very well know, is different from the maritime company, and does not enjoy the privileges accorded to the latter. As the embargo was laid upon articles which the creditor designated as property of the said construction company, the maritime company has not lost its right to the property on account of the embargo which was placed upon it. The ownership of the property can be clearly determined and established according to our laws under a proceeding called "Arbitration of possession." The same result can be achieved by a civil action called the "Suit for recovery."

By this fact, without doubt, the governor of San Juan del Norte was influenced, in his resolution of the 5th instant, in rejecting the petition of the agent of the maritime company to be placed in possession of the property.

I confirm the opinion that the judge of the peace acted legally in trying the case of the construction company, as it does not enjoy the privileges accorded to the canal maritime company. As the intervention of the American consul was not in the quality of an agent of the maritime company, his efforts in its interests were not effective. But the refusal of the judge of the peace to do justice to the maritime company did not forfeit the right of that company to its rights of property. Having asked the consul to give him the evidence of his appointment, he acted in conformity with the law of this Republic, which obliges all those who present themselves in court in any other than a personal character to present the evidence of his official character. Thus the husband who works for his wife, the father for his son, the teacher for his pupil, should present the voucher for his position, although it may be publicly known and may be clear to the judge personally.

The order given by this ministry to the governor on the 18th of last November was not to comply with those demands or requisitions of the canal company which came directly from any authority of the United States, because such affairs must first pass through the hands of the Government and the supreme court of justice. As your excellency will see, that the judge acted in accordance with instructions, and that he has not failed, therefore, in the course which was made known to him. The former instructions, as I said, carry a clear idea of the subject, and I delayed in giving them, in order to fix at once a basis for this negotiation without prejudice to the final decision of the ministry of justice.

Regarding the effects of the deceased Alexander Morris, the same minister will seek information of the facts and the law in order to decide.

He will also give orders, so that the treating of the patients in the hospital may correspond with the duties of humanity which cultured people take pains to fulfill, Nicaragua being especially prompt in arising to the demands of the situation.

Hoping for another occasion in order to address myself to your excellency upon this subject, it gives me pleasure to reiterate to your excellency the protestations of high appreciation and distinguished consideration, with which I sign myself.

Your attentive and faithful servant,

JOSÉ MADRIZ.

[Inclosure No. 3, dispatch No. 197.]

Mr. Baker to Señor Madriz.

UNITED STATES LEGATION,
Managua, January 16, 1894.

MR. MINISTER: I must courteously inform you that I received and read with no little astonishment your communication dated January 13 and delivered to me on the 15th, in which you give hearty indorsement to all the strange proceedings of your underofficials at San Juan del Norte in their apparent collusion with a creditor of the canal construction company in appropriating illegally the property of a third and innocent party to the satisfaction of the claim. As a remedy, you suggest that the wronged party, whose property has been illegally wrested from it, may try his luck in a higher court of this Government in testing the quality of justice dispensed at that shrine. Judging from the proceedings of the courts below and the tone of your indorsement of the same, the encouragement to hope for a favorable result there is not great, unless a higher sense of justice and a greater reverence for law prevails in that tribunal than in the one whose action you so firmly indorse.

With great respect, I am, sir, yours truly,

LEWIS BAKER.

Mr. Uhl to Mr. Baker.

No. 128.]

DEPARTMENT OF STATE,
Washington, February 27, 1894.

SIR: I have to say with reference to your No. 191, of the 11th, and your No. 197, of the 18th, ultimo, that as the Department understands the controversy growing out of the seizure of property alleged to belong to the Nicaraguan Maritime Canal Company for a debt of the Nicaragua Canal Construction Company it is of opinion that such controversy should be settled in the courts of the country. If an attempt is made to settle it by a court which by treaty has no jurisdiction over controversies to which the canal company is a party, or should there be a plain denial of justice to the company in any court, then a proper case for diplomatic intervention would arise. Herewith is inclosed a copy of a letter from the Department to Mr. Hitchcock, president of the canal company, giving more fully the views of the Department in the matter.

I am, etc.,

EDWIN F. UHL,
Acting Secretary.

[Inclosure in No. 128.]

DEPARTMENT OF STATE,

Washington, January 18, 1894.

SIR: I have received your communication of the 10th instant in reference to the affairs of the Maritime Canal Company of Nicaragua. You represent that under a judgment rendered by a local court of Greytown, in an action brought by one Souza against the construction company, to which the canal company was not a party, certain property actually belonging to the canal company has been seized and sold as the property of the construction company. You refer to two articles of the concession held by the canal company from the Nicaraguan Government; one of them, No. 36, assuring to the company and its agents the full enjoyment of the rights and guaranties secured to other inhabitants of the country by its constitution and laws; the other, No. 55, providing that questions between the canal company and individuals resident in Nicaragua shall be under the jurisdiction of the ordinary tribunals of the country, in conformity, with its legislation.

You claim, as I understand, that by virtue of these articles the canal company was entitled to have the question of the ownership of the property seized passed on by the "ordinary tribunals of the country," and that the sale under judgment of the local courts of Greytown (from which you say there is no appeal), without a hearing being offered the canal company, is void.

You state that the Nicaraguan Government is chargeable with notice of the fact that the property in question belonged to the canal company, and that protest against its seizure and sale were filed on behalf of that company with the Nicaraguan minister at Washington, with the national Government of Nicaragua, and with the authorities at Greytown, as well as by the United States consul at that place. You represent that it is of the utmost importance to the canal company that its absolute right to a fair and impartial hearing before "the ordinary tribunals of Nicaragua" upon all questions arising between the company and the residents of the country should be established under the articles of the concession above referred to. Finally, you request that this Department "demand that the sale above referred to be set aside as illegal and void, and said property be returned to this corporation pending a final determination of the question of ownership by a court of competent jurisdiction."

In reply to this request, I beg to observe that if the local court at Greytown had jurisdiction of controversies between the canal company and individual residents of Nicaragua, the company should, when the property was seized, have applied to that court, claiming title to the property and asking the judgment of the court on the question of title. If, on the other hand, the local court of Greytown had no jurisdiction of such controversies, the canal company should, when property claimed by it was seized, have presented to the local court its claim of title and denied the jurisdiction of the court to proceed against it.

Although not familiar with the rules of judicial procedure in Nicaragua, I can not but think that the canal company should, in order to lay a foundation for future diplomatic proceedings, have pursued one or the other of the two courses above suggested. The canal company, however, does not appear to have sought judicial relief from any source against the wrong it is alleged to have suffered. I can not but think there must still remain a method of testing the company's claim to the property in some of "the ordinary tribunals of Nicaragua," which you admit have jurisdiction.

It is implied throughout your letter, though not specifically asserted, that the local courts at Greytown have no jurisdiction over controversies between the canal company and residents of the country, on the ground apparently that they are not included in "the ordinary judicial tribunals of Nicaragua." It is not, however, explained why they are not included among such tribunals, and without further explanation I am unable to form an opinion on the subject. I may observe, however, that the question of their jurisdiction in such controversies has not, as I understand the situation, been actually raised.

The Greytown court proceeded to sell the property in question—not as belonging to the canal company, but as belonging to the construction company. There is not objection alleged to its jurisdiction as against the construction company. The legal question of jurisdiction as against the canal company could not arise until the question of fact as to the ownership of property was raised. This question does not appear to have been raised, either in the Greytown court or in any of the other tribunals of the country. I do not perceive, therefore, how this Department, as the matter now stands, can take any action; but I shall be glad to hear from you in further explanation of the situation.

I am, etc.,

W. Q. GRESHAM.

HIRAM HITCHCOCK, Esq.,

*President of the Maritime Canal Company of Nicaragua,
New York, N. Y.*

Mr. Baker to Mr. Gresham.

No. 252.]

LEGATION OF THE UNITED STATES,
Managua, April 11, 1894.

SIR: The Government of Nicaragua has forwarded to me copies of letters which it has pleased the authorities to address to the agent of the Maritime Canal Company in this country, declaring that the charter of the company has been forfeited by reason of the failure of said company to complete the canalization of the Tipitapa River within a prescribed time. I forward the correspondence to you for your information.

I presume the gentlemen at the head of the affairs of this company will have little difficulty in discerning the animus of this proceeding.

I have, etc.,

LEWIS BAKER.

[Inclosure No. 2 in dispatch No. 252.—Translation of inclosure No. 1.]

NATIONAL PALACE,
Managua, September 20, 1893.

To the agent of the Interoceanic Canal Company, Granada:

I am apprised of your appreciable communication of the 12th instant, in which you are pleased to inform me that, although the construction company of the canal of Nicaragua happens to find itself in serious financial difficulties, these in no manner whatever affect the maritime company, which is the sole owner of the concession for the opening of the interoceanic canal.

In reply, I deem it my duty to manifest to you that the Government is not of the same opinion, and that, owing to the failure of the construction company and the lack of the fulfillment by the maritime company of the work of the canalization of the Tipitapa River, which should have been finished more than a year ago, it has given instructions to its representative in Washington, Dr. Horacio Guzmán, that he effectively make valid the rights of Nicaragua in order to terminate a concession which has no reason for existing, since the guarantees have not fulfilled their solemn obligations, and since they can not rely with certainty upon the necessary credit, after the incident of which you inform me.

I am, with all esteem, your attentive servant,

JOSÉ D. GAMEZ.

MANAGUA, *April 2, 1894.*

True copy.

JOSÉ D. GAMEZ.

[Inclosure No. 4 in dispatch No. 252.—Translation of No. 2.]

NATIONAL PALACE,
Managua, April 2, 1894.

MR. AGENT OF THE INTEROCEANIC CANAL COMPANY,
Granada:

Amplifying my communication of September 20 last, I have the honor of manifesting to you that the representative of Nicaragua in Washington, Dr. Horacio Guzmán, has not carried into effect, up to this date, the instructions that were imparted to him, to sue the Interoceanic Canal Company before the American courts for the lack of the completion of the canalization of the Tipitapa River, to which it was bound according to article 14 of the contract of March 23, 1887, entered into with this secretaryship. The Government hopes that the bad situation of the said company will not deteriorate, inasmuch as it was desirous of aiding the company in the hope that it might recover from its depression. But convinced as the Government of Nicaragua is that the rights of this country suffer with the delay of that state of things, and convinced as it is that said contract has already been forfeited on account of the lack of fulfilling one of the principal stipulations, it deems it its duty to resort to article 55 of the same contract in order that the court of arbitrators may decide the disputed point.

My Government, as I have said before, holds as terminated the contract referred to, and only begs for the adjustment of the stipulations of the agreement in reference to this point of the decision of the arbitrament. In virtue of this it designates Mr. Buenaventura Selva and Mr. Augustin Duarte as arbitrators on the part of Nicaragua, and in default of any one of them, for any impediment that may come unexpectedly from now on, to the date in which the court shall meet, Mr. Modesto Barrios and Mr. José Francisco Aguilar, in successive order.

I hope you will have the kindness to acknowledge receipt of this communication, because from this date begins to run the four months that the same contract allows the company to appoint her arbitrators.

I am, with all respect, yours, truly,

JOSÉ D. GAMEZ.

MANAGUA, *April 2, 1894.*

JOSÉ D. GAMEZ.

True copy.

Mr. Baker to Mr. Gresham.

[Telegram.]

LEGATION OF THE UNITED STATES,
Managua, April 26, 1894.

GRESHAM, Washington:

Minister Baker gone Bluefields. Cable transmitted.

W. BAKER.

Señor Guzmán to Mr. Gresham.

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,
Washington, April 30, 1894.

SIR: I have the honor, referring to our conversation of this morning, herewith to transmit to your excellency copies of the documents which I showed you and which relate to the important question of an inter-oceanic canal through Nicaragua.

My Government, being anxious to see that great highway between the two oceans opened up for navigation as speedily as possible, always views with the greatest satisfaction the interest which the United States have for a long time manifested in the completion of that most important enterprise.

I reiterate to your excellency the assurances of my highest consideration, and remain,

Your most obedient and faithful servant,

H. GUZMÁN.

Copy of two paragraphs of a communication addressed to the legation of Nicaragua at Washington by the ministry of foreign relations of Nicaragua, under date of April 7, 1894.

Mr. MINISTER: The United States minister in Nicaragua had a conference a few days since with the President and Vice-President of the Republic, and with the undersigned, his object having been to state to the Government his views with regard to the canal company.

The minister said that he thought that the said corporation, in view of its present circumstances, could not accomplish the piercing of our isthmus, and that, as he understood that the United States Government did not consider it possible for it to associate its name with those of the promoters of that enterprise in the accomplishment of the work, he desired to know whether the Government of Nicaragua, in case of the lapse of the Cardenas-Menocal contract, would be willing to enter into negotiations with the United States with a view to settling the question of the construction of the interoceanic highway.

A true copy.

H. GUZMÁN.

WASHINGTON, April 30, 1894.

Mr. Gresham to Mr. Baker.

No. 163.]

DEPARTMENT OF STATE,
Washington, May 1, 1894.

SIR: I desire, if you have not already done so, that you transmit hither a full report of a conference which, as I am informed by the

Nicaraguan minister at this capital, you had with the President and Vice-President of the Republic, early in April last, concerning the relations of the Interoceanic Canal Company to the Government of Nicaragua and the United States.

I am, sir, etc.,

W. Q. GRESHAM.

Mr. Baker to Mr. Gresham.

[Telegram.]

BLUEFIELDS, NICARAGUA, *May 9, 1894.*

Hon. WALTER Q. GRESHAM,

Secretary of State, Washington, D. C.:

Cable referring to canal received. Impossible to do more than I have without assistance of able lawyer who understands Spanish language and Spanish law practice. Matters in worst shape possible; not only has the property been virtually confiscated but the concession has been attached. Will be in Managua May 26.

Confidential.

LEWIS BAKER.

Señor Guzmán to Mr. Gresham.

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,
Washington, May 10, 1894.

SIR: Pursuant to the conversation I had with your excellency on the 7th instant, I have sent to the President of Nicaragua a cablegram in which I state that the Government of the United States would be pleased to see that the utmost harmony may prevail between Nicaragua and the canal company and that it would be much gratified if all proceedings against said company were revoked.

I reiterate, etc.,

H. GUZMÁN.

Mr. Uhl to Mr. Baker.

No. 172.]

DEPARTMENT OF STATE,
Washington, May 14, 1894.

SIR: I inclose herewith, for your information in connection with previous correspondence in the Bluefields matter, a pamphlet containing the correspondence in relation to the proposed interoceanic canal, published at the Government Printing Office in 1885.* It contains several important documents bearing on the history of the discussion.

I am, etc.,

EDWIN F. UHL, *Acting Secretary.*

Mr. Baker to Mr. Gresham.

No. 275.]

LEGATION OF THE UNITED STATES,
Managua, May 25, 1894.

SIR: In your No. 163 you ask me to transmit to you, if I have not already done so, "a full report of a conference" which, as you are

* This is a reprint of Senate Ex. Docs. 112, Forty-sixth Congress, second session; 194, Forty-seventh Congress, first session, and 26, Forty-eighth Congress, first session,

informed by the Nicaraguan minister at Washington, I "had with the President and Vice-President of the Republic early in April last, concerning the relations of the Interoceanic Canal Company to the Governments of Nicaragua and the United States."

I beg to inform you that I have had no "conference" with the gentlemen named at the time mentioned or at any other time upon the subject referred to. The only time I met these gentlemen together in April last, was on the occasion of a call which I made at the palace for the purpose of gathering what news I could from Bluefields. It happened that I innocently walked in on what seemed to be a cabinet session, there being present the President, Vice-President Ortiz, who is also the war minister; Mr. Román Mayorga, acting minister of foreign affairs (the minister, Mr. Madriz, was at Bluefields); Mr. Gamez, minister of fomento; Mr. Matus, acting minister of gobernacion, and Mr. Castro, acting minister of hacienda, making a full cabinet. I was accompanied by the United States vice-consul, Mr. H. E. Low. After discussing the news from Bluefields and I had arisen to take my leave, while holding the President's hand, I said (in a side remark, but within the hearing of Mr. Mayorga, who stood by the side of the President translating to him the words of my leave-taking):

I regret, Mr. President, to observe what seems to me to be an unfriendly spirit manifested toward the American canal project on the part of the political party now in power in Nicaragua. It would afford me great pleasure, I assure you, if I could have from you a personal assurance that I am mistaken in my interpretation of the sentiment of your party and administration.

To this the President replied:

We are not opposed to the American people building the interoceanic canal. On the contrary, we desire to see the canal built, and would give the Americans the preference in the enterprise over the English, everything else being equal. But [he added] the construction company is rotten; it has not acted in good faith in the canalization of the Tipitapa River, and it don't pay its bills.

Still holding the President's hand in mine, I thanked him for the friendly sentiment he had expressed toward the American people, and added:

As to the construction company, I know next to nothing. I have seen it stated in the public prints that the company had gone into liquidation, which, I had little doubt, was a good thing for the final success of the enterprise, as the American people have a wholesome dislike of these "wheels within wheels" in matters where the Government of the United States was asked to become a backer since their experience with certain Pacific railroads.

The President commenced to say, or rather Mr. Mayorga did, something further of an uncomplimentary nature about the construction company, which I cut short by withdrawing.

The above is all that was said about the canal. Neither the Vice-President nor any minister participated, as the conversation was in a low tone of voice and could not have been heard by any other than the President, Mr. Mayorga, and Mr. Low, the latter of whom was by my side; and had the others heard my remarks they could not have understood them, as no one of them understands English. I have not attempted to produce the exact words of the conversation, but this wording is substantially correct.

I have submitted this note to Mr. Low, and he indorses its contents in every particular, and he gives me liberty to say so to you.

I have, etc.,

LEWIS BAKER.

Mr. Gresham to Mr. Baker.

[Telegram.]

DEPARTMENT OF STATE,
Washington, June 2, 1894.

Your reply to my No. 163, of May 1, calling for your conversation with President of Nicaragua, anxiously awaited. What is present attitude of Nicaragua toward canal? You are still expected to exert yourself in all proper ways for the protection of canal company.

GRESHAM.

Mr. Baker to Mr. Gresham.

No. 288.]

LEGATION OF THE UNITED STATES,
Managua, June 3, 1894. (Received July 3.)

SIR: In confirming the receipt of the cable from you on this date, in reference to the interoceanic canal, and my answer thereto, which I do on another page of this dispatch, I will take the liberty of reporting that I had a conference with the President on the 30th of May upon this general subject. There were present Gen. Daniel Macaulay, of Washington City, and Román Mayorga R., the subsecretary of foreign relations. I opened the conversation by announcing to the President that I had received instructions from the Government of the United States directing me to take up with this Government all questions affecting the Maritime Canal Company. I now felt authorized to interfere in behalf of the canal company in the matter of a diversion of a valuable property belonging to this company, through the illegal connivance of local Nicaraguan officers, to the satisfaction of some small claims owed by another (the construction) company, which latter company had no claim whatever upon this property. I also felt instructed to ask that the proceedings which had been commenced by this Government for the forfeiture of the charter of the maritime company because of the failure to build the Tipitapa Canal be withdrawn.

I stated to the President that General Macaulay brought encouraging news from the Maritime Canal Company, which good news I had observed corroborated by favorable action on the part of the appropriate committee of the United States Senate, by utterances of men high in authority, and by the friendly tenor of my instructions toward that great enterprise. I then quoted to the President the substance of the closing sentences of a speech recently delivered by Senator Morgan to his constituents in Alabama, in which he referred to "an interview of more than three hours' duration with President Cleveland" just prior to his leaving Washington, in which he said was discussed, with perfect freedom and without any embarrassment whatever, every feature of this great enterprise; that toward the conclusion of the conversation Mr. Cleveland expressed his gratification that he had signed the bill during his first Administration granting authority to enter upon this great scheme; that all the questions of the cost of the canal, its protection, and its untold value to the commerce of the world had been considered; that the canal ought to be built; "that its construction would be the crowning glory of the nineteenth century." I also reminded the President that Mr. Cleveland's able Secretary of State,

the distinguished Judge Gresham, was a member of President Arthur's Cabinet at the time that gentleman had expressed to Congress his strong approval of the building by the aid of the United States of this great work, and that he was undoubtedly a warm friend of the enterprise; that Senator Morgan affirmed in his speech that two-thirds of all the Senators representing the forty-four States, without distinction of party or of locality, favored the construction of the canal by Government aid.

I then pointed out to the President of Nicaragua that neither the Government nor the capitalists of the United States would touch the enterprise, however much they might desire it, unless this Government and people showed a friendly spirit toward it and toward our people. I said that I regretted to observe the existence of an unfriendly feeling toward both, which, unless promptly corrected, would inevitably delay the beginning of the work. I acknowledged to him his assurances of personal friendship, but I told him that this was not enough; that an aggressively friendly tone was necessary on his part and upon the part of all the members of the Government; that energetic steps must be taken without delay for the removal of every obstacle in the way of success, and that when affirmative action was required it should be given enthusiastically.

I further pointed out that the course of his Government could have only the effect to obstruct; it brought with it no remedy for the failure to build the Tipitapa Canal; that they had mistaken their remedy; that no forfeiture of the concession was possible for the cause assigned. Discovering a bitter prejudice against the construction company and a disposition to hold the Maritime Canal Company responsible for the supposed sins of the former, I disavowed any knowledge of that company or its status, and attempted to place each corporation upon a distinctly separate pair of legs of its own.

I had stated the case, substantially as above, adding, by way of expressing my own faith, that did I not devoutly believe that President Cleveland, his friends and advisers, and the American people were in favor of building this canal; and did I not further believe that Mr. Cleveland's Administration would inaugurate this inestimably valuable work and crown all its illustrious acts with this supremely grand and glorious one, my resignation of my official position near this Government would go to Washington by the next mail, in order that someone who was more fond of living in Nicaragua than I could have my place.

The President seemed strongly impressed with all I had said and expressed pleasure in hearing of the good prospects of the canal and of my faith in it. He assured me of his deep interest in the enterprise and of his preference for its construction by the American people. In this connection, I suggested to him that no other people were likely to offer in good faith to build it in view of the attitude of the Americans toward it and the fact of their now holding a concession and having already spent several millions of dollars upon it. Besides, should Nicaragua continue to show its bad faith toward our people all other enlightened peoples would doubt their good faith toward them.

After I had concluded, General Macaulay laid before the President the object of his visit on that morning, which was to ask the withdrawal of the proceedings in the Tipitapa affair. He presented the case pointedly, systematically, and forcibly, and succeeded in getting a promise of immediate consideration.

I have, etc.,

LEWIS BAKER,

Mr. Baker to Mr. Gresham.

[Telegram.]

MANAGUA (SAN JUAN DEL SUR), *June 3, 1894.*
(Received June 4.)

Your dispatch No. 163 was answered by mail immediately on arrival from the Mosquito Territory. The Nicaraguan Government has shown unfriendliness for the Nicaraguan Canal in many ways, but now I think improved feeling can be seen. Every exertion has been made by me in favor of the canal, according to instructions.

BAKER.

Mr. Baker to Mr. Gresham.

No. 302.]

LEGATION OF THE UNITED STATES,
Managua, June 9, 1894.

SIR: Late in the evening of the 7th instant I received the inclosed communication from the minister of foreign relations for Nicaragua in regard to the Maritime Canal Company controversy.

My reply to Mr. Madriz is also inclosed.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in dispatch No. 302.—Translation.]

Señor Madriz to Mr. Baker.

No. 289.]

NATIONAL PALACE,
Managua, June 7, 1894.

MR. MINISTER: On the 5th instant the minister of public works addressed a communication to me, which I now have the honor of transmitting to your excellency complete, as follows:

MR. MINISTER: Gen. Daniel Macaulay, general agent of the Maritime Canal Company of Nicaragua, has told several persons in high official positions that the minister of the United States, residing in this city, has received instructions from his Government to say to ours that it guarantees the good credit of the said company and the aid that it stands ready to lend to it for the speedy completion of the work.

Inasmuch as, if General Macaulay's assertions be true, they will greatly influence this ministry's action upon the several pending important reclamations, I think that it would be well if you will have the goodness to ask the minister of the United States what instructions he has concerning the matter, and to tell him that, although the Nicaraguan Government sees clearly the good grounds it has for considering forfeited the concession granted to the said company, it will not deem it inappropriate to show consideration for the company if the American Government commends it in these terms.

Thanking you in advance, I subscribe myself, with all esteem, your very obedient servant,

G. ABAUNZA.

In order to comply with the wishes of the minister of public works, I beg your excellency to furnish me with the desired information, should you see proper to do so.

I reiterate the sentiments of my highest consideration.

JOSÉ MADRIZ.

[Inclosure 2 in dispatch No. 302.]

Mr. Baker to Señor Madriz.

No. 56.]

LEGATION OF THE UNITED STATES,
Managua, June 8, 1894.

MR. MINISTER: Your communication of the 7th instant, in regard to the Maritime Canal Company, was delivered to me late last evening. In this you virtually ask me what are my instructions from my Government touching the canal company. My answer is this: My instructions are broad and comprehensive—to exert myself to the utmost in the protection of the canal company's property, which includes its franchise. A recent cablegram from Secretary Gresham anxiously inquires "What is the present attitude of Nicaragua toward the canal company?" That is, does it seem more friendly now than its action in the recent past seemed to indicate?

All this goes to assure me that the Government of the United States regards the Maritime Canal Company of great importance in the accomplishment of the enterprise which Senator Morgan, chairman of the Committee on Foreign Relations in the United States Senate, credits President Cleveland with describing as "the crowning glory of the nineteenth century."

With renewed assurances, etc.,

LEWIS BAKER.

Mr. Baker to Mr. Gresham.

[Telegram.]

MANAGUA, *June 16, 1894.* (Received June 18.)

The Nicaraguan Government has not changed its threatening attitude toward the Nicaraguan Canal.

BAKER.

Mr. Baker to Mr. Gresham.

[Telegram.]

MANAGUA, *July 1, 1894.*

Gomez letter forfeiting canal franchise withdrawn. All serene.

BAKER.

Mr. Gresham to Mr. Baker.

No. 202.]

DEPARTMENT OF STATE,
Washington, July 13, 1894.

SIR: I have to acknowledge the receipt of your No. 302 of the 9th ultimo, with which you transmit certain correspondence which you have had with Mr. Madriz, the Nicaraguan minister for foreign affairs, as to the attitude of this Government toward the Maritime Canal Company.

It appears that Mr. Madriz on the 7th ultimo communicated to you the text of a note addressed to him by Señor Abaunza, minister of public works, in which the latter requested him to inquire of you concerning a statement said to have been made by Gen. Daniel Macaulay, general agent of the canal company, to several persons in high official

position, that you had received instructions to say to the Government of Nicaragua that the Government of the United States, to quote your translation of the note, "will guarantee the good credit of the said company, and that it will lend its aid for the speedy completion of the work."

Your translation of the note is found, on comparison with the copy of the original which you send, to be in some respects inaccurate, and I inclose herewith another translation to be substituted for yours on the legation files. According to this new translation, the precise statement ascribed to General Macaulay is that you have been instructed to say that this Government "guarantees the good credit of the said company, and the aid it stands ready to lend to it for the speedy completion of the work."

If there be any substantial difference between this version and that which you have given of the note communicated to you, its effect is to express in a more positive form the pledge which it is reported that you have been instructed to give, of the support of this Government to the credit and work of the canal company. In your reply of the 8th ultimo, addressed to Mr. Madriz, you say:

My answer is this: My instructions are broad and comprehensive—to exert myself to the utmost in the protection of the canal company's property, which includes its franchise. A recent telegram from Secretary Gresham anxiously inquired, "What is the present attitude of Nicaragua toward the canal company?" That is, does it seem more friendly now than its action in the recent past seemed to indicate? All this goes to assure me that the Government of the United States regards the Maritime Canal Company of great importance in the accomplishment of the enterprise which Senator Morgan, chairman of the Committee on Foreign Relations in the United States Senate, credits President Cleveland with describing as "the crowning glory of the nineteenth century."

In writing this reply the Department assumes that you were prompted by the statement in the note communicated to you by Madriz that, if General Macauley's alleged assertions were true, they would greatly influence the action of the ministry of public works on several pending and important reclamations, and that the Nicaraguan Government, although it saw good grounds for considering as forfeited the concession granted to the company, would not deem it inappropriate to show consideration for the company, if this Government commended it in the terms alleged.

The propriety and wisdom, however, of your reply are not apparent. So far as it is calculated by the vagueness and generality of its terms to convey the impression that the statements ascribed to General Macauley are not unfounded, it is not warranted by your instructions. Indeed, the Department is surprised that such an inquiry as that conveyed by Mr. Madriz should have been formally communicated to you. It is doubtless well known to the Government of Nicaragua that legislation looking to the completion of the Nicaragua Canal is now pending before Congress, and the Department would have supposed that it was equally well understood that the President could not pledge the pecuniary support of the United States to the credit and work of the canal company until he was authorized by law to do so.

You will, therefore, take occasion to explain to Mr. Madriz that your note of the 8th ultimo is not to be understood as sanctioning the alleged statement to which his communication of the preceding day relates, but you will also say that this fact does not detract from the desire of this Government to see the great work of the canal construction achieved or from its purpose to protect the canal company in the proper assertion of its rights.

I am, etc.,

W. Q. GRESHAM.

Mr. Baker to Mr. Gresham.

No. 390.]

LEGATION OF THE UNITED STATES,
Managua, September 11, 1894.

SIR: Some days ago I received from Mr. Hiram Hitchcock, president of the Maritime Canal Company, of Nicaragua, an inquiry, as follows:

As to the affairs of the canal company and the Government of Nicaragua, I would say that the last cables of General Macaulay advised us of the voluntary withdrawal by the Government of Nicaragua of the letter in which a forfeiture of the concession was involved. We have the same information from the Secretary of State at Washington and from the Nicaraguan minister. There can, therefore, be no mistake about it. I speak of this because the interpretation of some messages from Mr. Hastings would imply that the foregoing was not literally the case. If you regard it as important, will you verify the statement of General Macaulay before mentioned, and inform me of the result? I can not think, however, that there is any question about it.

On receipt of the letter from which I have quoted I sent a brief note to the foreign office of this Government, so worded as to elicit the required information. A copy of their answer is herein inclosed.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in dispatch No. 390.—Translation.]

MINISTRY OF FOREIGN AFFAIRS,
National Palace, Managua, September 7, 1894.

Mr. MINISTER: I take pleasure in referring to your excellency's communication of yesterday, in which you ask me for information regarding the arrangements made between the Government of this Republic and the Nicaragua Canal Company regarding the canalization of the Tipitapa River.

The notices received in Washington by the Secretary of State and the Nicaraguan minister, to the effect that the Government of this country has voluntarily withdrawn its protest entered against the said company on account of its failure to comply with the provisions relating to the construction of the Tipitapa Canal, are true.

The Government was on the point of signing the agreement with the representative of the company, Gen. Daniel Macaulay, when that gentleman's sad death occurred, thus putting an end to the negotiations. My Government is prepared to continue them with the same good will toward the grand enterprise, as was demonstrated to General Macaulay, as soon as the company appoints a new representative.

In exchange for the deference of the Nicaraguan Government in favor of the interests of the Maritime Canal Company, Gen. Daniel Macaulay agreed to recognize the justice of the former in demanding the cost of the Tipitapa Canal from the latter; and to the addition to the contract of the canal, by Nicaragua, of a clause by which this country will be permitted to freely enter into contracts with other companies for the construction of interoceanic railways for the necessary enlargement of the national roads and the unfolding of the industry and wealth of the country. My Government does not doubt that the company will soon honor General Macaulay's word.

Such is the information that I am able to give your excellency, and in so doing I have the honor to subscribe myself, etc.,

F. BACA, h.

LEWIS BAKER,
Minister of the United States.

[Inclosure 2 in No. 390.]

LEGATION OF THE UNITED STATES,
NICARAGUA, COSTA RICA, AND SALVADOR,
Managua, September 8, 1894.

MY DEAR SIR : Some days ago I sent a note to this Government reciting my knowledge of the agreement arrived at between them and Gen. Daniel Macaulay, by which they voluntarily withdrew what is known here as the "Gamez letter," which threatened the confiscation of the Maritime Canal Company's franchise, and I asked them to confirm this agreement for your use.

In reply I received the inclosed letter. I am compelled to express the belief that this ministry is in error in stating that any conditions were agreed to on the part of General Macaulay. I personally know that General Macaulay persistently refused to permit the attachment of any condition whatever to the withdrawal, always stating that the "Gamez letter" was illegal, inoperative, and of no force; that the concession of the canal company could not be forfeited on the grounds set forth therein. Therefore no proposition for compromise could be entertained, nor could any conditions be attached. I mention this for the reason that I feel an injustice has been, unintentionally of course, done to the memory of General Macaulay in this connection. I know that he fully realized that he had no power to enter into such an agreement, and that he also believed that any such agreement as is set forth in the closing paragraph of their letter to me would be very impolitic.

I am, etc.,

LEWIS BAKER.

HIRAM HITCHCOCK, Esq.,
President Maritime Canal Company, New York.

Mr. Baker to Mr. Gresham.

No. 474.]

LEGATION OF THE UNITED STATES,
San Jose, Costa Rica, February 5, 1895.

SIR: A cablegram was received in this city some days ago announcing the passage, through the United States Senate, of a bill guaranteeing certain bonds for the construction of the Nicaraguan Canal. I saw no evidence that either the officials of this Government, or other public men, or even the business men of the place took any interest in the matter. Among the few expressions I heard, the majority of them were to the effect that the building of the canal would not materially benefit Costa Rica. This view seems to me quite singular; but the truth is that whatever friendship there is among the native people here for the canal is passive and not active. The dominant foreign sentiment here is English, seconded by the German.

I have, etc.,

LEWIS BAKER.

Mr. Baker to Mr. Olney.

No. 537.]

LEGATION OF THE UNITED STATES,
San José, Costa Rica, June 21, 1895.

SIR: Referring to Department dispatch No. 339, of the 8th instant, I have the honor to inclose herewith a copy of a letter from me to the

minister for foreign affairs of Nicaragua, thanking that Government for its courtesy in sending two commissioners to receive and accompany the Nicaragua Canal Board.

I am, etc.,

LEWIS BAKER.

[Inclosure in No. 537.]

LEGATION OF THE UNITED STATES,

San Jose, Costa Rica, June 21, 1895.

Mr. MINISTER: I am in receipt of a dispatch from my Government stating that information has been furnished the Department of State by Bvt. Lieut. Col. William Ludlow, U. S. A., chairman of the Nicaraguan Canal Board, that the Nicaraguan Government has deputed two commissioners to receive and accompany the Board and to furnish them any information in their power.

In the name of my Government, I have the honor to express to your excellency the high appreciation entertained of this mark of courtesy shown by the Government of Nicaragua.

Accept, etc.,

LEWIS BAKER.

Mr. Baker to Mr. Olney.

No. 543.]

LEGATION OF THE UNITED STATES,

San José, Costa Rica, June 27, 1895.

SIR: I have to report that some weeks ago, at the request of the President of Costa Rica, I conveyed to Maj. William Ludlow, the chairman of the United States commission of canal engineers, then on duty in Nicaragua on the line of the projected interoceanic canal, an invitation from this Government to him and his party to visit this city at their convenience. Major Ludlow replied that he would be pleased to accept the invitation unofficially and on condition that no public demonstration be extended to his party here.

The engineers arrived in San José on the afternoon of the 20th instant, with the intention of spending the night and returning to Limon on the following morning. The gentlemen called by appointment upon the President and cabinet at the executive mansion at 4 o'clock p. m., and they were cordially received. The President showed a deep interest in the construction of the canal. In the evening the President, the ministers of state, and several citizens dined and spent the evening with the engineers, on which occasion his excellency expressed again his warm interest in the construction of the canal under American auspices. He also expressed the high appreciation of the people of the United States by the citizens of Costa Rica.

Unfortunately, a violent rain storm during the night caused several heavy slides along the railroad track, making the running of trains to-day impossible. The party hope and expect to get through to Limon to-morrow.

I have, etc.,

LEWIS BAKER.

Mr. Adee to Mr. Baker.

No. 368.]

DEPARTMENT OF STATE,
Washington, August 28, 1895.

SIR: I inclose herewith for your information copy of a dispatch from our consul at San Juan del Norte, relating to the Nicaraguan Canal.

I am, etc.,

ALVEY A. ADEE,
Acting Secretary.

[Inclosure to No. 368.]

Mr. O'Hara to Mr. Uhl.

No. 87.]

SAN JUAN DEL NORTE, NICARAGUA,
August 5, 1895.

SIR: Referring to your dispatch of July 19, 1895, No. 34, I have the honor to report as follows:

Rudolfo Wirses, the resident agent of the Maritime Canal Company, obtained from President Zelaya about July 19 three months' leave of absence, and left for New York immediately.

Just before his departure he stipulated with the Government that work should commence at Tipitapi within six months, and that in case of default the Government should have \$300,000 gold. It is quite evident that the company will find it more convenient to put on a gang or two of men than to pay \$300,000 in either gold or silver.

I am, etc.,

THOMAS O'HARA,
United States Consul.

Mr. Baker to Mr. Olney.

No. 595.]

LEGATION OF THE UNITED STATES,
Managua, Nicaragua, February 3, 1896.

SIR: On another page of this dispatch I paste an article from the Washington correspondent of the New York Herald of a recent date, touching the question of the Nicaragua Canal. On reading the paragraph which I have marked, I felt sure it was founded on error. I therefore called upon President Zelaya and read it to him. He said:

Mr. Morgans, the Englishman mentioned, had some connection with some mines in this country. Some time ago he several times talked about asking for a railroad concession, but he never put his request in form, and none has been granted him. He controls no railways in Nicaragua. The Government owns the railroads.

In regard to the statement suggesting the forfeiture by the Nicaraguan Government of the canal concession, the President said:

The Government has taken the opinion of a commission of three of our ablest lawyers as to whether the canal company has forfeited its concession by reason of not having done any work in this country for many years, and after a most careful examination of the question in all its bearings, the commission came to the conclusion that the company had broken its contract with this Government.

But [added the President] we will not throw any obstacle in the way of the company if it will, in good faith, try to raise money to go along with the work. If, however, the company continues its inactivity, I hope the United States Government will take up the work itself and put it through.

I here remarked that, as I understood the concession, our Government would not be permitted to do this. He replied:

That can be very easily arranged. Nicaragua, after six or seven years' experience with the company, has come to the conclusion that only a great government can and will do the work, and we will be pleased to make a contract with the United States to take control of it. That can be very easily arranged.

I asked the President if this Government has had at any time an offer from a foreign company to take hold of this enterprise, on condition that the existing contract should be gotten rid of. He frankly said: "It has not."

I make these statements to the Department at the request of the President in order that his position may be correctly understood at Washington.

In this connection it may not be amiss to state that Mr. Morgans, the Englishman whose name has been much used in the newspapers in connection with this canal project and with Nicaraguan railways, has not been in this country for over eighteen months. When here it was his business to superintend some partially developed gold mines; but he was succeeded in this capacity in July, 1894, at which time he returned to England. More recently he has taken the superintendency of some mining property in Australia and has gone out there on a contract for five years. There is no belief among his acquaintances in Nicaragua that he has ever even thought of trying to get up a syndicate for the purpose of controlling the canal franchise or that he could make any success in that direction were he to try.

I have, etc.,

LEWIS BAKER.

[Inclosure in No. 595.]

MESSAGE ON THE CANAL.

[New York Herald, January 1, 1896.]

The officials are somewhat disturbed over information which has reached Washington from Nicaragua to the effect that a Mr. Morgans, an Englishman who has control of the railways of Nicaragua, is attempting to secure control of the canal project.

It is also stated on good authority that the Nicaraguan Government is considering the advisability of revoking the charter granted to the Nicaraguan Canal Company of the United States, and turning the enterprise over to the English syndicate headed by Mr. Morgans. The authorities will promptly squelch any such action by the Nicaraguan Government, and will offer strenuous objections to any attempt of President Zelaya's administration to annul the concession.

Mr. Olney to Mr. Baker.

No. 448.]

DEPARTMENT OF STATE,
Washington, May 7, 1896.

SIR: I am requested by members of the House Committee on Foreign Affairs to ask you to procure and send to the Department copies of all papers, reports, and other documents relating to the organization and operations of the Nicaragua Maritime Canal Company, and also all reports or other papers relating to the works and expenditures of the Interocean Canal Construction Company.

Please do what reasonably can be done in compliance with the above-named requests at your early convenience, and oblige,

Respectfully, yours,

RICHARD OLNEY.

Mr. Baker to Mr. Olney.

No. 657.]

LEGATION OF THE UNITED STATES,
Managua, Nicaragua, June 4, 1896.

SIR: I have the honor to acknowledge the receipt of your No. 448, of May 7, in which you ask me—

to procure and send to the Department copies of all papers, reports, and other documents relating to the organization and operations of the Nicaraguan Maritime Canal Company, and also all reports or other papers relating to the works and expenditures of the Interocean Canal Construction Company.

In reply, I beg to say that I am informed by the agent of the Nicaragua Maritime Canal Company in this city that all of the above-mentioned papers are on file in the office of the Nicaragua Canal Company in New York City, and that he has nothing here of that nature.

Inquiry at the office of the minister of fomento of the Republic of Nicaragua develops the further fact that although this officer of the Government has direct jurisdiction over the affairs of the canal company so far as they relate to this Government, still he has not among the records of his office any information in the line you indicate.

I will take steps to ascertain if there is anything on file in the office of the company in San Juan del Norte that may be of value to you. If so, I shall endeavor to procure copies of the same and forward to you as promptly as possible.

I have, etc.,

LEWIS BAKER.

Señor Rodriguez to Mr. Olney.

LEGATION OF THE GREATER REPUBLIC
OF CENTRAL AMERICA,
Washington, January 15, 1897.

The undersigned, envoy extraordinary and minister plenipotentiary of the Greater Republic of Central America, has the honor to address His Excellency the Secretary of State, informing him that, as several bills relative to the construction of an interoceanic canal through Nicaragua have been for some time pending before both Houses of the American Congress, his Government recently instructed him to examine them and to make, under certain conditions, suitable representations to His Excellency the Secretary of State.

The undersigned has consequently examined said bills, which are five in number, to wit:

Three introduced in the House of Representatives, one by Mr. Mahon, December 3, 1895, another by Mr. Doolittle, and the third by Mr. Barham, both the latter having been introduced December 6, 1895.

Two introduced in the Senate, one by Mr. Perkins, December 30, 1895, and the other by Mr. Morgan, June 1, 1896.

All these bills take it for granted, with minor differences of detail, that the American Government is to take an important part in the enterprise, and that it is to furnish the money necessary for the construction of the canal by the Maritime Canal Company of Nicaragua, whose constitution and organization they essentially modify.

Unfortunately, the undersigned observes that the provisions of these bills are at variance, both generally and in matters of detail, with the stipulations of the contract of April 24, 1887, between Nicaragua and the company aforesaid, from which contract the company derives its existence, and which is the basis of its enterprise.

That contract stipulates in its eighth article that the concession therein provided for shall in no case be transferable to Governments or to foreign public powers, and article 53 provides that any contravention of this stipulation shall entail a forfeiture of the contract. As it can not be denied that the bills to which the undersigned has reference—although they do not expressly say so—effect that transfer most fully, making the Government of the United States of America the absolute owner of the enterprise and of the canal and its rights, the result to which they inevitably conduce is the forfeiture of the contract.

Article 47 of that instrument provides that the company shall undertake, at its own expense, the final surveys of the ground and the location of the line of the canal by a commission of competent engineers, two of whom are to be appointed by the Government of Nicaragua, and the aforesaid article 53 provides that a failure to comply with this stipulation shall entail the forfeiture of the concession. The bills, however, provide that the canal shall be constructed under the surveillance of the Department of Engineers of the Army of the United States of America, and according to its plans, and that three engineers shall be designated by the President for that purpose, who shall make the explorations and estimates. This provision likewise conduces to the forfeiture of the contract.

The people of all nations shall be invited to contribute the necessary capital to the enterprise.

Of the capital with which the company shall organize, and which it proposes to distribute among the different countries interested in the enterprise, there shall be reserved at least 5 per cent for the Central American Government and citizens that may desire to subscribe.

These provisions of article 7 of the contract are antagonized by the bills which distribute the capital of the enterprise among the United States of America, Nicaragua, Costa Rica, and the company.

The capital stock of the final company shall be composed of shares, bonds, or obligations of any other kind, in such proportion as it may deem convenient.

This is another provision of the ninth article. The bills, however, fix the amount of the capital stock in shares, of which they dispose in such a way that they are of no use for the work of the enterprise, as they ought to be, according to the intent of the contract. For the work of the enterprise the bills create bonds, which must thus be converted into capital stock or be left out of the contract. The undersigned need not here point out the infractions which the bills involve.

According to article 10 of the contract, the board of directors is to be composed of persons at least one-half of whom shall be chosen—by the company, of course—from the promoters who may yet preserve their quality as such. The bills organize the board of directors with eleven members, eight of whom are to be appointed by the President of the United States, in different capacities, one by Nicaragua, one by Costa Rica, and one by the canal company. The difference between this provision and the stipulation referred to could not be more marked than it is.

Among the benefits which Nicaragua reserves to herself, in consideration of the valuable privileges and rights which she surrenders, is 6 per cent of the shares, bonds, certificates, or such other obligations as the company may issue with a view to raising the capital. Now, notwithstanding the fact that the company has made several issues, it has not fulfilled this obligation; and as the bills say nothing on this particular point of shares, bonds, certificates, or other obligations which were to be issued and have not been issued in favor of Nicaragua, these

securities would probably either be lost in the new form of the enterprise or would be liable to troublesome and tedious litigation.

Two of the bills in question have already been reported by a committee, so that they may finally exclude the others; nothing, however, is established in them with regard to the shares that would belong to Nicaragua; and it might happen, owing to this, that Nicaragua would get none at all.

If the company were to issue a hundred or a hundred and fifty million dollars' worth of bonds in order to meet the cost of the work, which bonds, as I have already remarked, would have to be considered as capital or be left out of the contract, Nicaragua would be entitled to her 6 per cent in virtue of the stipulation above referred to; but the bills leave no door open to such a possibility, nor do they allow her any participation in the issue which is to be made in order to pay for the work already done.

The company, by article 14 of the aforesaid contract, has contracted the solemn obligation to construct at its own expense within the term of three years, reckoned from the commencement of the work upon the interoceanic canal, a navigable canal between Lake Managua and the navigable part of the Tipitapa River, near Pasquier, of sufficient dimensions to admit of the free passage of vessels drawing 6 feet and of 150 feet in length. That term expired a long time ago, but the company, notwithstanding the most earnest solicitation, has made no pretense of meeting that obligation, or of definitely adjusting the compensation which it ought to pay in order to be discharged therefrom. The bills establish nothing on this other point, and Nicaragua's rights in this matter might thus be annulled in consequence of their silence.

By the plan involved in the new form which the bills devise for the enterprise, the present company is extinguished and nothing remains of it in its relations with the enterprise save the shadow of a personality represented by a vote in a board of directors of 11 members, while in its relations with Nicaragua it may always claim full personality as the holder of the concession, although having none of the means necessary to enable it to meet its obligations.

Finally, it is to be observed that while the bills contravene and set at naught stipulations of the contract, they do not state whether the remaining ones still remain in force or not, although among these latter there are very many which are of no great importance to Nicaragua in particular and to Central America in general.

The undersigned is convinced of the good faith of the gentlemen who have introduced these bills in both Houses, and of those who advocate their passage. He takes, moreover, pleasure in stating that he recognizes these efforts as the result of the legitimate interest which they feel in behalf of the construction of an interoceanic canal, in which the confederation that he represents is quite as deeply interested. And in calling attention to the serious objections enumerated, which would render these efforts nugatory, the only object that he has in view is to protect just rights, which he thinks are menaced by the bills aforesaid.

It seems evident that the company is unable to raise money to fulfill its contract unless the United States of America furnish it therewith, and since that contract excludes the possibility of attaining that result, the undersigned, having been duly authorized to do so, proposes to his excellency the Secretary of State that the two Governments—relying upon the favorable disposition of the Government of the United States of America—shall come to a direct understanding on the subject, on the basis of the Zavala-Frelinghuysen treaty, with such modifications

as may be agreed upon, and endeavoring to reach a just arrangement with the Maritime Canal Company of Nicaragua, so that it may renounce a concession whose conditions it is unable to fulfill.

The undersigned, in thus obeying the instructions of his Government, avails himself, etc.

J. D. RODRIGUEZ.

Mr. Olney to Señor Rodriguez.

No. 5.]

DEPARTMENT OF STATE,
Washington, January 22, 1897.

SIR: I have the honor to acknowledge your communication of the 15th instant, and to say that I have this day caused copies thereof, in translation, to be forwarded to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House.

Accept, Mr. Minister, etc.,

RICHARD OLNEY.

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IMMIGRATION LAWS.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

RETURNING

TO THE HOUSE OF REPRESENTATIVES, WITHOUT HIS APPROVAL,
HOUSE BILL NUMBERED 7864, ENTITLED "AN ACT TO AMEND
THE IMMIGRATION LAWS OF THE UNITED STATES."

MARCH 3, 1897.—Referred to the Committee on Immigration and ordered to be printed.

To the House of Representatives:

I herewith return, without approval, House bill numbered 7864, entitled "An act to amend the immigration laws of the United States."

By the first section of this bill it is proposed to amend section 1 of the act of March 3, 1891, relating to immigration "by adding to the classes of aliens thereby excluded from admission to the United States the following: All persons physically capable and over sixteen years of age who can not read and write the English language or some other language; but a person not so able to read and write who is over fifty years of age and is the parent or grandparent of a qualified immigrant over twenty-one years of age and capable of supporting such parent or grandparent may accompany such immigrant, or such a parent or grandparent may be sent for and come to join the family of a child or grandchild over twenty-one years of age, similarly qualified and capable, and a wife or minor child not so able to read and write may accompany or be sent for and come and join the husband or parent similarly qualified and capable."

A radical departure from our national policy relating to immigration is here presented. Heretofore we have welcomed all who came to us from other lands, except those whose moral or physical condition or history threatened danger to our national welfare and safety. Relying upon the jealous watchfulness of our people to prevent injury to our political and social fabric, we have encouraged those coming from foreign countries to cast their lot with us and join in the development of our vast domain, securing in return a share in the blessings of American citizenship.

A century's stupendous growth, largely due to the assimilation and thrift of millions of sturdy and patriotic adopted citizens, attests the success of this generous and free-handed policy, which, while guarding

the people's interests, exacts from our immigrants only physical and moral soundness and a willingness and ability to work.

A contemplation of the grand results of this policy can not fail to arouse a sentiment in its defense; for however it might have been regarded as an original proposition and viewed as an experiment, its accomplishments are such that if it is to be uprooted at this late day its disadvantages should be plainly apparent and the substitute adopted should be just and adequate, free from uncertainties and guarded against difficult or oppressive administration.

It is not claimed, I believe, that the time has come for the further restriction of immigration on the ground that an excess of population overcrowds our land.

It is said, however, that the quality of recent immigration is undesirable. The time is quite within recent memory when the same thing was said of immigrants who with their descendants are now numbered among our best citizens.

It is said that too many immigrants settle in our cities, thus dangerously increasing their idle and vicious population. This is certainly a disadvantage. It can not be shown, however, that it affects all our cities, nor that it is permanent; nor does it appear that this condition, where it exists, demands as its remedy the reversal of our present immigration policy.

The claim is also made that the influx of foreign laborers deprives of the opportunity to work those who are better entitled than they to the privilege of earning their livelihood by daily toil. An unfortunate condition is certainly presented when any who are willing to labor are unemployed. But so far as this condition now exists among our people, it must be conceded to be a result of phenomenal business depression and the stagnation of all enterprises in which labor is a factor. With the advent of settled and wholesome financial and economic governmental policies and consequent encouragement to the activity of capital, the misfortunes of unemployed labor should, to a great extent at least, be remedied. If it continues, its natural consequences must be to check the further immigration to our cities of foreign laborers and to deplete the ranks of those already there. In the meantime, those most willing and best entitled ought to be able to secure the advantages of such work as there is to do.

It is proposed by the bill under consideration to meet the alleged difficulties of the situation by establishing an educational test by which the right of a foreigner to make his home with us shall be determined. Its general scheme is to prohibit from admission to our country all immigrants "physically capable and over 16 years of age who can not read and write the English language or some other language;" and it is provided that this test shall be applied by requiring immigrants seeking admission to read and afterwards to write not less than twenty nor more than twenty-five words of the Constitution of the United States in some language, and that any immigrant failing in this shall not be admitted, but shall be returned to the country from whence he came at the expense of the steamship or railroad company which brought him.

The best reason that could be given for this radical restriction of immigration is the necessity of protecting our population against degeneration and saving our national peace and quiet from imported turbulence and disorder.

I can not believe that we would be protected against these evils by limiting immigration to those who can read and write in any language

twenty-five words of our Constitution. In my opinion it is infinitely more safe to admit a hundred thousand immigrants who, though unable to read and write, seek among us only a home and opportunity to work, than to admit one of those unruly agitators and enemies of governmental control, who can not only read and write but delights in arousing by inflammatory speech the illiterate and peacefully inclined to discontent and tumult. Violence and disorder do not originate with illiterate laborers. They are rather the victims of the educated agitator. The ability to read and write as required in this bill, in and of itself, affords, in my opinion, a misleading test of contented industry and supplies unsatisfactory evidence of desirable citizenship or a proper apprehension of the benefits of our institutions. If any particular element of our illiterate immigration is to be feared for other causes than illiteracy, these causes should be dealt with directly instead of making illiteracy the pretext for exclusion to the detriment of other illiterate immigrants against whom the real cause of complaint can not be alleged.

The provisions intended to rid that part of the proposed legislation already referred to from obvious hardship appears to me to be indefinite and inadequate.

A parent, grandparent, wife, or minor child of a qualified immigrant, though unable to read and write, may accompany the immigrant or be sent for to join his family provided the immigrant is capable of supporting such relative. These exceptions to the general rule of exclusion contained in the bill were made to prevent the separation of families, and yet neither brothers nor sisters are provided for. In order that relatives who are provided for may be reunited, those still in foreign lands must be sent for to join the immigrant here. What formality is necessary to constitute this prerequisite, and how are the facts of relationship and that the relative is sent for to be established? Are the illiterate relatives of immigrants who have come here under prior laws entitled to the advantage of these exceptions? A husband who can read and write and who determines to abandon his illiterate wife abroad will find here under this law an absolutely safe retreat. The illiterate relatives mentioned must not only be sent for but such immigrant must be capable of supporting them when they arrive. This requirement proceeds upon the assumption that the foreign relatives coming here are in every case by reason of poverty liable to become a public charge unless the immigrant is capable of their support. The contrary is very often true. And yet if unable to read and write, though quite able and willing to support themselves and their relatives here besides, they could not be admitted under the provisions of this bill if the immigrant was impoverished, though the aid of his fortunate but illiterate relative might be the means of saving him from pauperism.

The fourth section of this bill provides "that it shall be unlawful for any male alien who has not, in good faith, made his declaration before the proper court of his intention to become a citizen of the United States to be employed on any public works of the United States or to come regularly or habitually into the United States by land or water for the purpose of engaging in any mechanical trade or manual labor for wages or salary, returning from time to time to a foreign country." The fifth section provides "that it shall be unlawful for any person, partnership, company, or corporation knowingly to employ any alien coming into the United States in violation of the next preceding section of this act."

The prohibition against the employment of aliens upon any public works of the United States is in line with other legislation of a like

character. It is quite a different thing, however, to declare it a crime for an alien to come regularly and habitually into the United States for the purpose of obtaining work from private parties, if such alien returns from time to time to a foreign country, and to constitute any employment of such alien a criminal offense.

When we consider these provisions of the bill in connection with our long northern frontier and the boundaries of our States and Territories, often but an imaginary line separating them from the British Dominion, and recall the friendly intercourse between the people who are neighbors on either side, the provisions of this bill affecting them must be regarded as illiberal, narrow, and un-American.

The residents of these States and Territories have separate and especial interests which in many cases make an interchange of labor between their people and their alien neighbors most important, frequently with the advantage largely in favor of our citizens. This suggests the inexpediency of Federal interference with these conditions when not necessary to the correction of a substantial evil affecting the general welfare. Such unfriendly legislation as is proposed could hardly fail to provoke retaliatory measures to the injury of many of our citizens who now find employment on adjoining foreign soil.

The uncertainty of construction to which the language of these provisions is subject is a serious objection to a statute which describes a crime. An important element in the offense sought to be created by these sections is the coming "regularly or habitually into the United States." These words are impossible of definite and certain construction. The same may be said of the equally important words, "returning from time to time to a foreign country."

A careful examination of this bill has convinced me that for the reasons given, and others not specifically stated, its provisions are unnecessarily harsh and oppressive, and that its defects in construction would cause vexation and its operation would result in harm to our citizens.

GROVER CLEVELAND.

EXECUTIVE MANSION, *March 2, 1897.*

[Fifty-fourth Congress of the United States of America; at the second session, begun and held at the city of Washington on Monday, the seventh day of December, one thousand eight hundred and ninety-six.]

AN ACT to amend the immigration laws of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section one of the act of March third, eighteen hundred and ninety-one, in amendment of the immigration and contract labor acts, be, and hereby is, amended by adding to the classes of aliens thereby excluded from admission to the United States the following: All persons physically capable and over sixteen years of age who can not read and write the English language or some other language; but a person not so able to read and write who is over fifty years of age and is the parent or grandparent of a qualified immigrant over twenty-one years of age and capable of supporting such parent or grandparent may accompany such immigrant, or such a parent or grandparent may be sent for and come to join the family of a child or grandchild over twenty-one years of age, similarly qualified and capable, and a wife or minor child not so able to read and write may accompany or be sent for and come and join the husband or parent similarly qualified and capable.

SEC. 2. For the purpose of testing the ability of the immigrant to read and write, as required by the foregoing section, the inspection officers shall be furnished with copies of the Constitution of the United States, printed on numbered uniform paste-board slips, each containing not less than twenty nor more than twenty-five words of said Constitution printed in the various languages of the immigrants in double small pica type. These slips shall be kept in boxes made for that purpose and so

constructed as to conceal the slips from view, each box to contain slips of but one language, and the immigrant may designate the language in which he prefers the test shall be made. Each immigrant shall be required to draw one of said slips from the box and read, and afterwards write out, in full view of the immigration officers, the words printed thereon. Each slip shall be returned to the box immediately after the test is finished, and the contents of the box shall be shaken up by an inspection officer before another drawing is made. No immigrant failing to read and write out the slip thus drawn by him shall be admitted, but he shall be returned to the country from which he came at the expense of the steamship or railroad company which brought him, as now provided by law. The inspection officers shall keep in each box at all times a full number of said printed pasteboard slips, and in the case of each excluded immigrant shall keep a certified memorandum of the number of the slip which the said immigrant failed to read or copy out in writing. If in any case from any unavoidable cause the foregoing slips are not at hand for use, the inspection officers shall carefully and thoroughly test the ability of the immigrant to read and write, using the most appropriate and available means at their command; and shall state fully in writing the reasons why the slips are lacking, and describe the substitute method adopted for testing the ability of the immigrant.

SEC. 3. That the provisions of the act of March third, eighteen hundred and ninety-three, to facilitate the enforcement of the immigration and contract-labor laws, shall apply to the persons mentioned in section one of this act.

SEC. 4. That it shall hereafter be unlawful for any male alien who has not in good faith made his declaration before the proper court of his intention to become a citizen of the United States to be employed on any public works of the United States, or to come regularly or habitually into the United States by land or water for the purpose of engaging in any mechanical trade or manual labor, for wages or salary, returning from time to time to a foreign country.

SEC. 5. That it shall be unlawful for any person, partnership, company, or corporation knowingly to employ any alien coming into the United States in violation of the next preceding section of this act: *Provided*, That the provisions of this act shall not apply to the employment of sailors, deck hands, or other employees of vessels, or railroad train hands, such as conductors, engineers, brakemen, firemen, or baggagemen, whose duties require them to pass over the frontier to reach the termini of their runs, or to boatmen or guides on the lakes and rivers on the northern border of the United States.

SEC. 6. That any violation of the provisions of sections four and five of this act by any alien or citizen shall be deemed a misdemeanor, punishable by a fine not exceeding five hundred dollars or by imprisonment for the term of not exceeding one year, or by both such fine and imprisonment, in the discretion of the court: *Provided*, That all persons convicted of a violation of section four of this act shall be deported to the country whence they came.

SEC. 7. That notwithstanding the provisions of this or any other existing law, the Secretary of the Treasury may permit aliens to enter this country for the purpose of teaching new arts or industries under such rules and regulations as he may provide.

SEC. 8. That this act shall not apply to persons arriving in the United States from any port or place in the Island of Cuba, during the continuance of the present disorders there, who have heretofore been inhabitants of that island.

SEC. 9. That this act shall take effect July first, eighteen hundred and ninety-seven.

THOMAS B. REED,
Speaker of the House of Representatives.

A. E. STEVENSON,
Vice-President of the United States and President of the Senate.

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AERIAL NAVIGATION.

MARCH 3, 1897.—Ordered to be printed.

Mr. CALL presented the following

ADDITIONAL PAPERS BY JAMES SELDON COWDON IN RELATION TO HIS MEMORIAL FOR THE ENCOURAGEMENT AND DEVELOPMENT OF HIS INVENTION FOR AERIAL NAVIGATION.

VIENNA, VA., March 2, 1897.

To the Senate of the United States:

Having prepared the inclosed cut of my "air-navigating machine" and collected several articles from prominent newspapers and other sources bearing upon the subject of aerial navigation, I would most respectfully request you to have this letter and said articles herewith appended as exhibits from A to G, inclusive, printed as a Senate document for the use of Senators and other persons during the recess.

Very respectfully,

JAMES SELDON COWDON.

EXHIBIT A.

The Congressional Record of May 27, 1896, page 6315, contains the following petition:

To the Congress of the United States:

Your undersigned petitioner would most respectfully apply to your honorable body for such financial encouragement as you may deem appropriate in the development of his plan of navigating the air upon the principle of "a live fish in the water" rather than upon the principle of "a live bird in the air."

Your petitioner would further state that he is financially unable to perfect his invention, but with, say, \$15,000 or \$20,000 and four months' time, he can construct an air ship that will move through the air at the will of the operator, and not otherwise, when finally perfected.

Your petitioner would still further ask this confidence and consideration at your hands, in view of the fact that the Congress of the United States did appropriate the sum of \$30,000 for the development of the Morse system of the magnetic telegraph.

And he will ever pray.

JAMES SELDON COWDON.

WASHINGTON, D. C., May 26, 1896.

EXHIBIT B.

The following is the declaration of James Seldon Cowdon, of Vienna, Fairfax County, Va., in regard to his inability to apply for letters patent upon his invention—a new air-navigating machine:

Be it known unto all mankind:

That I, James Seldon Cowdon, a citizen of the United States of America, and a resident of the town of Vienna, in the county of Fairfax and State of Virginia, do

hereby declare as follows: (1) That I am the first, sole, and true inventor of a new air navigating machine; (2) that I am financially unable to apply for letters patent in this or any other country at the present time; (3) that I do hereby declare my intention to place this declaration upon record in the office of the recorder of deeds for the District of Columbia, in order that I may apply to the courts and Congress for a proper legal document which will restrain the issuance of letters patent upon my said invention to any other person than myself until I shall be able to pay the usual expense of procuring said letters patent wherever it may be lawful for me so to do.

I claim, briefly and essentially, as follows:

1. That my air navigating machine will "poise in the air" like a "live fish in the water," as stated in my petition to Congress, which was reprinted in Senate bill No. 3246 of the Fifty-fourth Congress.

2. That my said air navigating machine will have a plurality of cigar-shaped telescopic cylinders, which will be charged with a substance lighter than the air for the purpose of overcoming or yielding to the earth's gravity and insuring the safety of the said air navigating machine and its load.

3. That my said air navigating machine will have a plurality of propeller wheels and balanced rudders located below both ends of said cigar-shaped telescopic cylinders, for the purpose of more easily balancing and moving the said air navigating machine and its load.

4. That my said air navigating machine will have a plurality of shafts, engines, and other mechanical appliances for the purpose of facilitating its movements upward and downward as well as forward and backward, with a load of 500 pounds, more or less, at the rate of 30 miles per hour, more or less.

5. That my said air navigating machine will be invaluable in scientific, military, commercial, tourist, campaign, and many other purposes.

Witness my hand and seal on this 30th day of July, in the year 1896, A. D.

JAMES SELDON COWDON.

Witnesses:

J. J. SHIRLEY, M. D.

WM. C. TAYLOR, *Attorney at Law.*

DISTRICT OF COLUMBIA, ss:

Subscribed and sworn to before me this 30th day of July, A. D. 1896.

[SEAL.]

HARRY S. WELCH,
Notary Public of the District of Columbia.

EXHIBIT C.

The Philadelphia (Pa.) Times of August 9, 1896, contained the following article:

STILL ANOTHER FLYING MACHINE—THIS ONE, IT IS CLAIMED, WILL TRAVEL 100 MILES AN HOUR—WILL CARRY PASSENGERS—THE SHIP WILL BE USED FOR SCIENTIFIC PURPOSES AND FOR TOURISTS—AS AN ENGINE OF WAR IT WILL MAKE THE SLAUGHTER TERRIBLE—THE MACHINE CAN RAISE ITSELF AT WILL AND POISE IN THE AIR.

The problem of navigating the "upper deep" is about to be solved, so says an inventor who a few days ago filed his remarkable claims in the office of the recorder of the District of Columbia.

And the dream of the human race speeding about in the air at an inconceivable rate, in luxurious cars—a dream toward which most of our modern scientists are working—is to be realized just as soon as the inventor can complete his business arrangements. The details as to the mechanism of the machine, the wonders it will work in the future civilization of the world, have been fully thought out by the originator, and though they have lain dormant for some time in his mind, they are now for the first time given to the public.

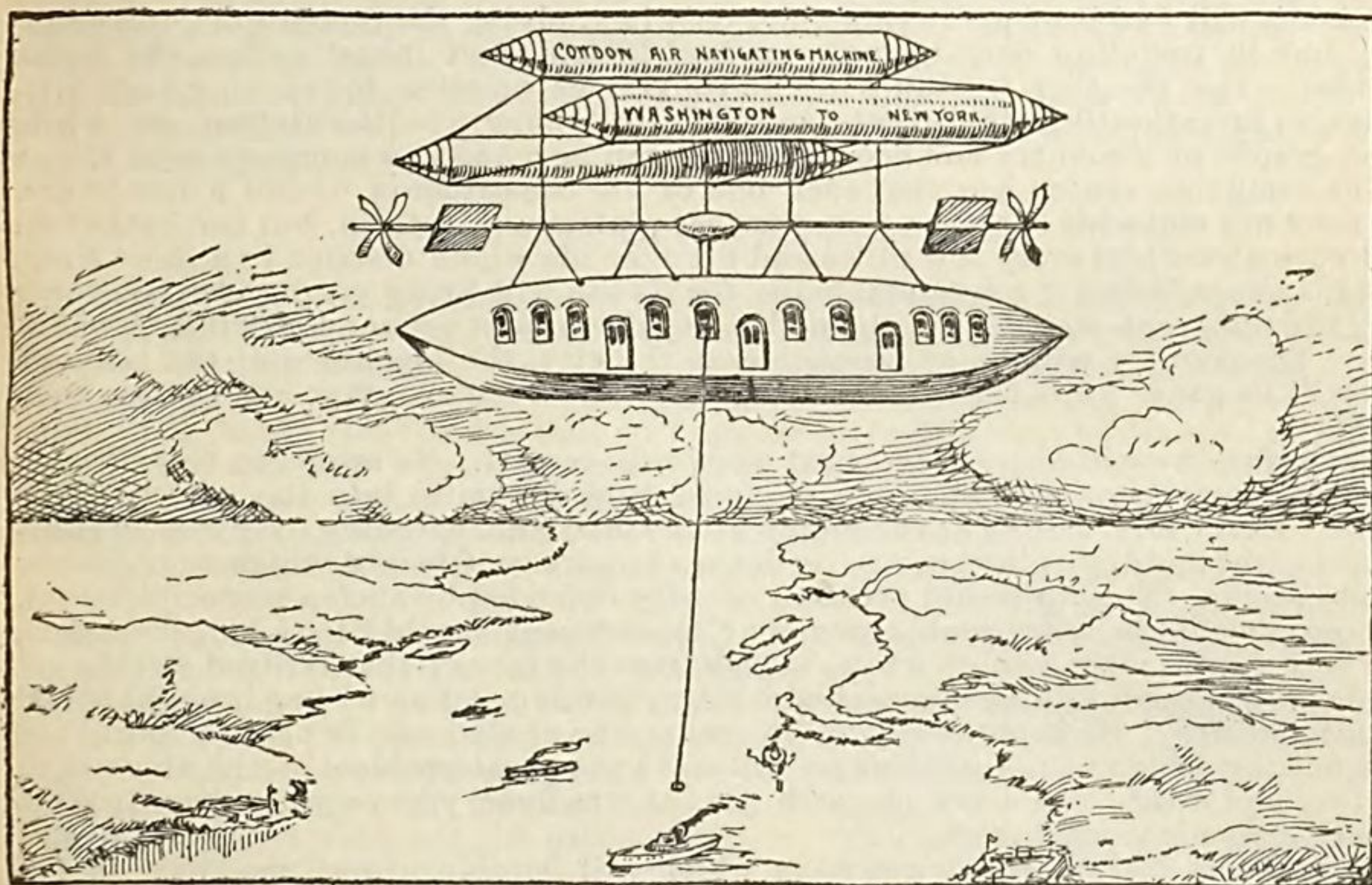
Mr. James Seldon Cowdon, of Vienna, Fairfax County, Va., is the gentleman whose claims are so remarkable that they have found few believers. But, astonishing as they are, he gives an explanation of his plans, whose development shows great simplicity, and should he secure funds with which to build a large model he proposes to sail through the air down the Potomac to Mount Vernon, raised over the water at any height desired, and to accomplish this feat, which will astound the world, within a few months.

The Cowdon air-navigating machine is totally unlike those which have been so far constructed, and the ideas are entirely new. For years scientific men have been trying to fly by imitating the bird in its flight, and nearly every machine made has sails

or wings, which are intended to either drive or balance the ship. This idea, so Mr. Cowdon holds, is entirely wrong, and he gives as his reason that no bird poises in the air; that it is useless to construct a machine which is designed to remain stationary at the will of the operator on principles copied from something which does not perform the service desired.

The new machine is not modeled after the bird principle, but resembles that of a fish in water. While a bird can not remain at rest in the air, a fish can poise at perfect rest; can rise or lower himself by inflating or contracting his bladders. It is this idea on which Mr. Cowdon bases his theories. The balloon idea has also been discarded by him, as that machine is at the mercy of the winds, simply drifting with any current, thus rendering it practically useless for any purpose. With his own machine Mr. Cowdon claims to be able to poise in the air at any distance from the ground, to rise and fall as softly as a feather would float to the earth, and to be able to speed a hundred miles an hour through the air in the face of any current, as well as to be perfectly under the control of the engineer.

The Cowdon machine consists of three cigar-shaped cylinders, two of which are placed on a level, and the third, which is in the center, is elevated several feet above the others. These cylinders are filled with hydrogen or any similar gas, and when inflated will have a lifting power in proportion to their size. They are so shaped as to present the least possible resistance to the wind and yet give a good surface for the expansion of the gas.



American inventors have not yet made any machine with cylinders. Though this idea has been adopted by both the French and Germans, who are far ahead of us, both these nations have used but a single cylinder. Mr. Cowdon uses three, which gives steadiness, prevents upsetting, and reduces danger to the lowest possible point.

The ends of the cylinder are fashioned in a telescopic way, so that the length can be increased or shortened by machinery. In this point lies the power to rise or fall at will. The lifting power of gas has been demonstrated to be increased in proportion as its surface area has been increased, so that a lengthening of the cylinder gives a larger gas surface and causes a rise in the machine, a shortening in the length of the cylinder being followed by a corresponding decrease of surface and a fall in the machine. As the telescopic ends will be worked at the will of the operator, it is possible to raise the ship 6 inches above the ground, or 6 feet, or to just clear the tree tops, and to go through the air for any length of time at the same elevation.

These cylinders will be about 60 feet in length, while the machine will average 40 feet wide. The cigar-like frames will be of some light but sinewy material, the covering being of oiled silk or other air-tight stuff. Between the two lower cylinders will run strong steel braces, in the center of which will rest the motive power, or engine. The engine will work the two propellers, which are situated at the far ends of the machine and just below the highest cylinder.

It is in the placing of the engine and propellers that Mr. Cowdon also claims an entirely new idea. In all of the models made in America or Europe the propellers

have been placed at the rear. This is the case in the French machines, which can make a speed of only 7 miles an hour, as an increase will cause a tilting of the ship, due to the uneven balance. The two propellers being at the ends, while the engine is at the center, makes a perfectly even balancing.

Just between each of the propellers and the engine are the two rudders, which steer the affair in the face of the wind or enable the engineer to tack against it, as may be desired. The motive power, Mr. Cowdon expects, will be of steam, as he is experimenting with a new engine—a very small one—which gives an enormous force with very little expenditure of fuel. Electricity could also be used, but as both steam and electricity can be secured from very small engines of great power he will not decide till after several experiments.

Beneath the cylinders will hang the car containing the passengers. This car will be of wickerwork or some similar material, capable of holding about twenty people, and portions reserved for mail and express.

The uses to which the machine can be put are numerous and wonderful, and will bring about a revolution in the most modern methods of science, transportation, engineering, business, city life, and warfare. As regards the citizen, it will enable him to transact his business in town and reach his country home, 50 miles distant, in less than an hour. There will be no need of overcrowded cities. Small machines will carry a party of tourists, larger ones convey regular passengers along stated routes, while wealthy individuals will own air yachts in which they will skim over the surface of the world at will.

Science will find it of great value, not only in studying the topography of a country, but in traveling over water, crossing deserts, and investigating the polar regions. The Weather Bureau will find its service priceless in reaching high altitudes, in investigating air currents, in predicting changes in the atmosphere, while photographs of a country and accurate maps can be made at a moment's notice.

The campaign orator can visit each one of his constituents within a few hours. He need not make his speeches from the rear platform of a train, but can gather an audience about him every few miles and flit over his whole district in a short time. The bicycle will find it a formidable foe, for its use will bring comfort to the grocer boy, the telegraph messengers, the police, reporters, postmen, and circular distributors. The country will be as accessible as the city, the loneliness of the farmer's life will be gone, while the city man may sleep under his own vine and fig tree each night.

In warfare we will also see the most wonderful results. No army can be safe with an enemy hovering a mile above it, ready to drop dynamite into the center of the camp. Every city will be at the mercy of the man who, speeding over it at an enormous height and lightning speed, can loosen hundreds of bombs which would blow it into atoms. No ship would attack a country defended by such a powerful vessel, our coast would be impregnable, our War Department would be no longer needed, and war would, after a short while, vanish from the face of the civilized world.

Such are the astonishing changes which Mr. Cowdon claims will be brought about by his machine. He is only waiting to secure the needed sum in order to build the first one, by which he is confident he will solve the great problem of the nineteenth century and create a new era on earth, just as was done years ago by the introduction of steam into machinery.

He proposes to establish a company which will be able to put machines on the market with a great profit, as they can be run at a cost of 1 cent an hour, and there will be no right of way to purchase, no rails to lay or roadbed to maintain. In a few years this method of transportation of passengers and mail will be common, though surface roads will still move freight. Mr. Cowdon having decided only a few days ago to make his invention public, first put it on record, before giving the plans out, that his priority of claim might never be questioned in future. He expects to get the necessary money in a short while and to have an air-navigating machine plying over the capital within a few months.

EXHIBIT D.

The New York Journal of September 13, 1896, contained the following article:

The air ship will, the inventors say—and this is an excerpt from the letter which accompanied a drawing of one of the machines—bring about a revolution in the most modern methods of science, transportation, engineering, business, city life, and warfare. As for the citizen, it will enable him to transact his business in town and reach his country home 50 miles distant in less than an hour. There will be no need of overcrowded cities.

Small machines will carry parties of tourists, larger ones will convey regular passengers along stage routes, while wealthy individuals will own air yachts, in which they will skim over the surface of the world at will.

Science will find it of great value, not only in studying the topography of a country, but in traveling over water, crossing deserts, conducting meteorological experiments, and investigating the polar regions. The Weather Bureau will find the flying machine's service priceless in reaching high altitudes, in investigating air currents, and predicting changes in the atmosphere. The campaign orator can visit each one of his constituents within a few hours. He need not make his speeches from the rear platform of a train, which is more than apt to get side-tracked, but can gather an audience about him every few miles and flit over his whole district in a short time.

The bicycle will find in it a formidable foe, for its use will bring comfort to the grocer boy, telegraph messenger, the police, reporters, and all sorts and conditions of men. The country will be as accessible as the city, the loneliness of the farmer's life will be gone, while the city man may sleep under his own vine and fig tree every night.

The flying machine will also revolutionize warfare. Photographs of a country and perfectly accurate maps can be made upon the shortest notice. No army in the world, no matter how great, can be accounted safe with an enemy hovering a mile above it prepared to drop dynamite in large quantities into the center of its camp. Every city, fortified though it may be, guarded with regiments of soldiers and magnificent ironclads, will be utterly at the mercy of a man who, speeding over it at enormous heights and at lightning speed, can loosen hundreds of bombs which would blow it into atoms. No ship would attack a country defended by such a powerful vessel. Our coast would be impregnable. Our War Department would no longer be needed, and war itself, after a few years of the flying machine, would vanish entirely from the earth.

MR. COWDON'S FISH-LIKE MACHINE.

The Sunday Journal presents to-day a few specimens of the machines which, week in and week out, are being presented for consideration at the Patent Office. One of the most startling of these is the invention of James Seldon Cowdon, of Vienna, Fairfax County, Va. The claims which Mr. Cowdon makes for his invention are so astounding that to most people they will appear incredible, but he declares solemnly that he has actually solved the problem of aerial navigation and that the only obstacle that now stands in his way is the necessity of conscripting capital with which to put his air-ship upon a basis of commercial operation.

For years scientific men have been trying to fly by imitating the bird in its flight, and nearly every machine thus far brought forward has sails or wings, which are intended either to drive or balance the ship. This idea, Mr. Cowdon holds, is entirely wrong. No bird, he says, actually poises in the air.

The new machine is modeled not on the bird principle, but rather upon that of the fish in the water. While a bird can not remain at rest in the air, a fish can poise at perfect rest; can raise or lower himself by inflating or contracting his bladders. This is the idea upon which Mr. Cowdon bases his theories.

He has rejected, also, the old balloon motion. The balloon, he argues, is entirely at the mercy of the wind, and is compelled simply to drift with any current, thus being rendered practically useless for purposes of volitional transportation. But with his own machine Mr. Cowdon claims to be able to poise in the air at any distance from the ground, to rise and fall as softly as a feather would go to earth. He can with his apparatus, he declares, travel through the air at the rate of a hundred miles an hour in the face of any current, and what is more, the machine is always thoroughly under the control of the engineer.

THE CYLINDER PRINCIPLE.

The Cowdon machine consists of three cigar-shaped cylinders, two of which are placed on a level and the third, which is midway between the two, is elevated several feet above them. These cylinders are filled with hydrogen or any similar gas, and when inflated will have a lifting power in proportion to their size. They are so shaped as to present the least possible resistance to the wind and yet give a good surface for the expansion of the gas.

American inventors have not yet made any machine with cylinders. Though this idea has been adopted both by the French and Germans, who, it is conceded, are far ahead of us in aerial experiments, the inventors of both these nations have thus far used but a single cylinder. Mr. Cowdon's employment of three cylinders is for the purpose of giving steadiness to the machine, preventing any possibility of upsetting, and reducing danger to the minimum.

The ends of the cylinder are fashioned in a telescopic way, so that the length can be increased or decreased by machinery. In this point lies the power to rise or fall at will. The lifting power of gas has been demonstrated to be increased in proportion as its surface area is increased, so that a lengthening of the cylinder gives a larger gas surface and causes a rise of the machine, a shortening in the length of the cylinder being followed by a corresponding decrease of surface and a consequent lowering toward the earth.

As the telescopic ends will be worked at the will of the operator, it is possible to raise the ship 6 inches above ground or 6 feet, or to just clear the tree tops and to go through the air for any length of time at the same elevation.

These cylinders will be about 60 feet in length. The machine will average 40 feet in width. The cigar-shaped frames will be of some light but sinewy material, covered with oil silk or some other air-tight stuff. Between the two lower cylinders will run strong steel braces, in the center of which will rest the motive power or engine. The engine will work the two propellers, which are situated at the far ends of the machine and just below the highest cylinder.

It is in the placing of the engine and propellers that Mr. Cowdon also claims to have developed an entirely new idea. In all of the models made in America or Europe the propellers have been placed in the rear. This is the case with the French machines, which can make a speed of only 7 miles an hour, as an increase over that will cause a tilting of the ship on account of the uneven balance. The two propellers of the Cowdon machine, being at the ends, balance perfectly.

Just between each of the propellers and the engine are the two rudders which steer the affair in the face of the wind or enable the engineer to tack against it as may be desired. The motive power, Mr. Cowdon expects, will be steam. He is experimenting with a new engine, which gives enormous force with very little expenditure of fuel. Electricity could also be used, but as both steam and electricity can be secured from very small engines of great power he will not decide this point until after several experiments.

Beneath the cylinders will hang the car containing the passengers. This car will be of wicker work or some similar material, and will hold about twenty people. Sections can also be reserved for the conveyance of mail and express matter.

EXHIBIT E.

The Detroit (Mich.) Free Press, of November 9, 1896, contained the following article:

AN AERIAL TORPEDO BOAT—THE DARING PROJECT OF A WASHINGTON INVENTOR—HOW HE WOULD HELP THE CUBAN INSURGENTS—SPANISH WARSHIPS TO BE DESTROYED FROM ABOVE—AN INTERESTING EXPLANATION OF HIS PLANS AND THEORIES.

The delegation representing the provisional government of the republic of Cuba have just received from James Seldon Cowdon, an inventor, of Vienna, Va., who is employed in the pension office at Washington, application for an order to build an aerial torpedo boat for use in the pending conflict with Spain.

The aerial torpedo boat, according to the inventor's plans, will consist primarily of three elongated cylinders, shaped like lead pencils sharpened at both ends, to contain buoyant gas, preferably hydrogen, and to be made of a light but tough fabric, probably oiled silk, so fashioned upon a framework that each, in principle, will fold together like a telescope. The three cylinders are to be placed parallel, two upon a level, and the third above and midway between the others. Each cylinder will average probably 60 feet in length, while the greatest width of the whole vessel will be about 40 feet. The cylinders will be braced one to another by bands of aluminum, or, if possible, a lighter material of equal tensile strength. The bracing will be continued 20 feet below the cylinders and will support a car, shaped like the hull of an elongated canoe. This will be so formed because of its slight resistance to the wind and will be attached so as to be readily cut off from the framework in case of accident. In such an event, according to the inventor's notion, the car will serve as a lifeboat to automatically propel the wrecked crew to shore or to a friendly vessel.

The car will consist of a deck and suitable cabin for the accommodation of several operatives. In the cabin will be arranged with great economy a compact engine which will not expel smoke and whose combustion will be so complete that the gas envelopes can not be exploded therefrom. The engine will actuate a long shaft, running between, below, and parallel with the two lower cylinders and above the deck of the car. This will revolve two large propellers, one in front and the other

behind. Adjacent to each propeller will also be placed a balanced rudder to guide the craft at the will of the helmsman.

By means of a simple but unique arrangement, according to the inventor's description, the operator will be able to push in or out any or all of the three telescopic cylinders, thereby altering their buoyancy. By this means, he claims, the vehicle will be able to poise in the air at any distance from the ground, or can rise and fall with any degree of velocity. He bases this claim upon the principle that the lifting power of a gas cylinder is directly increased in proportion as its surface area is increased, and vice versa. Therefore, he believes, by the shortening of the envelopes, or cylinders, the machine will be made to drop, whereas it will rise as they are lengthened.

The average horizontal speed of the proposed machine, it is claimed, will be at least 30 miles an hour, although it is expected to attain 100 miles an hour as a maximum. The telescopic arrangement of the gas envelopes will enable the vehicle to travel either a foot from the ground, or if necessary at an altitude of several miles. It is further claimed that on account of the arrangement of the cylinders the machine will be absolutely unable to tilt from the level in any direction. On making an ascent in an inclined direction it will maintain perfect equilibrium, the cylinders and deck always remaining parallel with the line of the horizon.

This evenness of balance, the inventor says, will be further preserved by the uniformity with which the propellers and rudders are to be distributed, both fore and aft. The original features claimed in particular by the inventor are the plurality and arrangement of the telescopic envelopes, propellers, and rudders. He says that in all former airship models the propellers have been placed in the rear; such an arrangement, in his opinion, will disturb the balance, as shown by the French machines of the dirigible balloon type, which can make a speed of only 7 miles an hour, an increase over which results in a tilting.

When complete, the aerial torpedo boat should, in the inventor's opinion, be loaded with a liberal supply of torpedoes or bombs of dynamite or other high explosive to be lowered upon hostile warships, camps, fortifications, moving bodies of soldiers, etc. The explosive would be attached to a long wire and grasped by a governable clasp, so as to almost touch the objective point before destroying it. This should be so arranged that the liability of misplacing the charge might be reduced to a minimum. By a more complicated arrangement, if desirable, the torpedo might be exploded by a current of electricity sent through the governing wire.

Although in Mr. Cowdon's opinion one vessel will be a most valuable accessory to any Government, a fleet of three such craft would be much more advantageous. If such a fleet were in use each vessel would be an invaluable aid to another, both in scouting and spying previous to attack and in the lowering of the torpedoes. While one vessel would be making ready to drop the charge the others would be ascertaining the position of the torpedo or the movements of the enemy. According to Mr. Cowdon, the most effective attacks of this kind would be made under cover of darkness. Each vessel would navigate in air strata above the possibility of assaults from ordnance below. Signaling could be readily accomplished between vessels by aid of lamps so constructed that they might be seen only when viewed from a high point in the sky. Such a fleet would sail unobstructed above the enemy's lines by day as well, spying into their camps and fortifications and ascertaining the maneuvers of their sea and land forces.

Mr. Cowdon states that he will construct one of his aerial torpedo boats for the Cubans for \$15,000, giving them the ownership thereof but not the patent. If they find the machine valuable he will complete a fleet at a proportionate price. The contract, he says, will be closed by his guaranty that each machine will be constructed within four months from the date of order, and that it will transport a load of not less than 500 pounds for 30 miles within an hour.

Mr. Cowdon has been a student of the problem of aerial navigation for many years. He has watched the birds in the air and the fish in the water, and as a result has become impressed with the fact that the fish can poise itself absolutely still, at any level, whereas the bird can not stand still in the air. In his opinion students of the man-flight problem have heretofore wasted their energies by striving to apply the bird principle to mechanical devices. By studying the internal organs of certain fishes he has ascertained the means whereby their perfect control of position and direction is accomplished. Such fishes alter their buoyancies by contracting and expanding pairs of air bladders contained inside their bodies. The telescopic cylinders or envelopes in his proposed contrivance, says he, serve the same purpose as the bladders of the fish, inasmuch as they can be contracted and expanded at will without allowing the loss of any gas. In his opinion balloon envelopes could not be made to alter their capacities satisfactorily unless built upon the telescopic principle. He thinks that after a great expenditure of money for experimentation with flying machines which are based upon the aeroplane principle alone, students of the great science of aerodynamics will finally decide in favor of the air ship on the elongated balloon principle.

Mr. Cowdon also stated that every advanced nation in the world except our own has gone to the expense of building experimental aerial vehicles on the dirigible balloon principle to be used in warfare. When such machines of war have become universally in vogue, the millions of dollars to be expended in our elaborate seacoast defence will have been thrown away. According to his statement he recently submitted a proposition to our War Department similar to that made to the Cubans, but was informed by the authorities that the Department preferred to await the further development of Professor Langley's aerodrome before taking up the matter.

The accompanying illustration embodies Mr. Cowdon's ideas as he described them to the writer and his artist. It was carefully drawn and submitted to the inventor for correction. The aerial torpedo boat is pictured as destroying a Spanish warship in the harbor off Habana.

EXHIBIT F.

The (Washington, D. C.) Evening Star of January 7, 1897, contained the following article:

AN AERIAL NAVIGATION TROOP.

Col. J. Keller, chief of the federal staff bureau of Switzerland, recommends to the Swiss Congress (now in session) the organization of an aerial navigation troop divided into a mobile and a machinery section, and to consist of 37 navigators, 33 trainmen, and 10 horses, the troops to be provided with requisite balloons or air ships, machinery, steam engine, and cables, at a cost estimated not to exceed \$30,000.

EXHIBIT G.

WHY H. R. 10326 SHOULD BE ENACTED.

To the chairmen and members of the Joint Committee on the Library:

GENTLEMEN: Having been requested to state my reasons why H. R. 10326 should be enacted, I will state—

First. That it is generally conceded by all men who have read and thought upon the subject that we are now much nearer the consummation of aerial navigation than we were to the marvelous powers already developed in electricity at the time when Morse's completed telegraph line—completed only by the aid of a Governmental appropriation—flashed its first message, "What wonders God hath wrought," over the wires from Baltimore to Washington.

Second. That in all of the great civilized nations of the earth experiments are being made by the highest class of scientists and original thinkers of inventive genius. The inventors of America lead the world. The telegraph, the telephone, the sewing-machine, the steamboat, the ocean steamship, the multiplied methods of rapid transit, the armored war vessel, and the vulcanization of india rubber are all American inventions. Morse, the inventor of the telegraph, was a poor artist, without money to test the value of his great discovery, and yet his appropriation was opposed by sapient lawmakers who wanted the appropriation divided into thirds so that "Millerism" and "perpetual motion" might be also investigated. Bell had not money enough to pay for his first patent. Fulton's steamboat was built by the money of his friends; Ericsson was poor, and Goodyear nearly starved to death while experimenting on vulcanization. Wells, the physician and soldiers' best friend on the battlefield by means of his discovery of anesthesia, died in poverty in Connecticut.

Third. That the United States is not aggressive—that is, it does not make wars for conquest, but it has the right to the best means of public

defense and commerce that can be devised, and for these reasons it should encourage our own inventors to solve the problem of aerial navigation. The first nation that does solve it will be the master of the world, should it see fit to use its power, for fleets and armies on sea and land will be useless. A single airship could protect any of our ports from the combined attack of all the navies of the world. In fact war would be abolished, and the millions of dollars spent annually for fleets and armies would be saved.

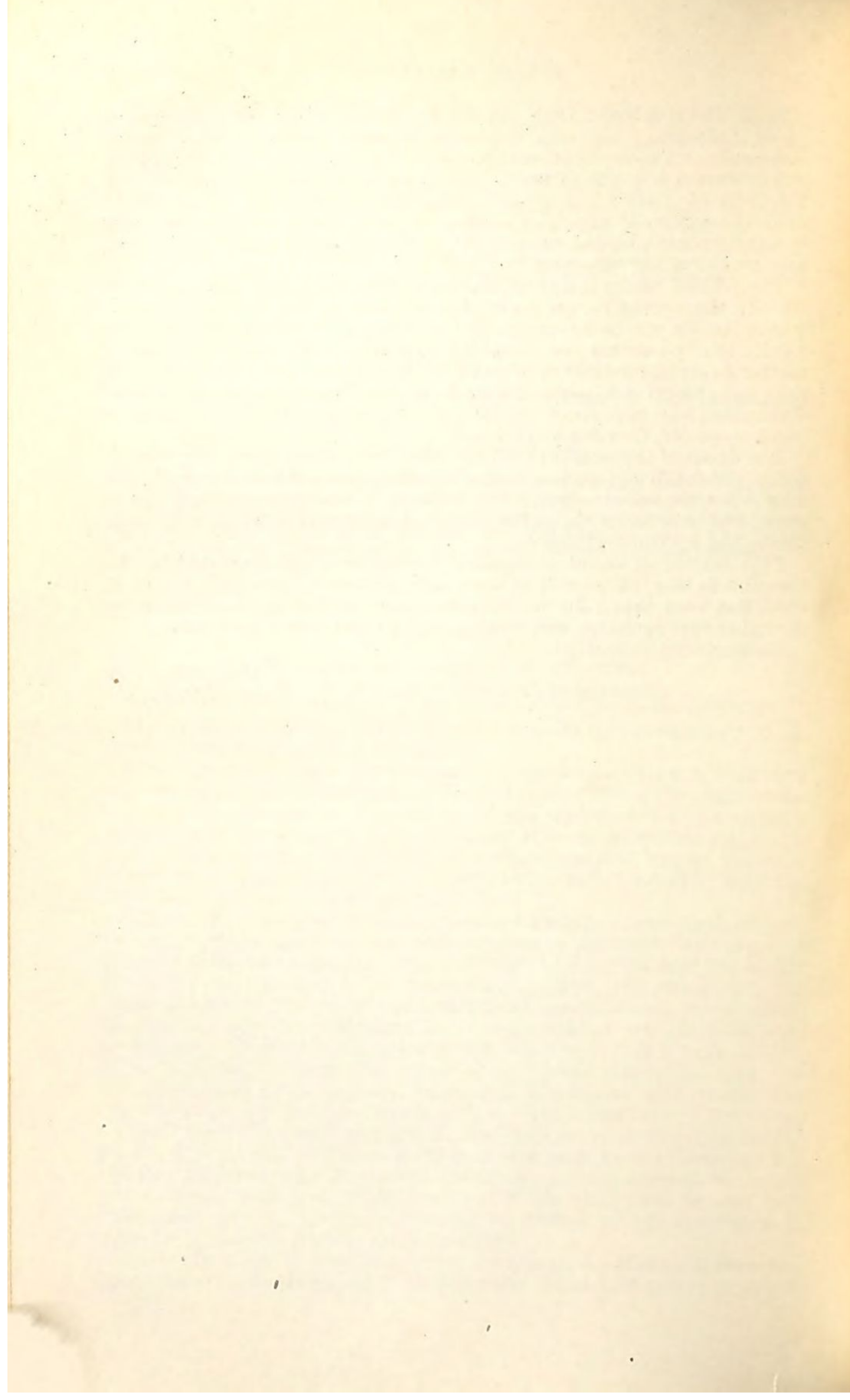
The United States is a great, rich, and powerful nation. It can afford to help the inventive genius of this country to find the methods by which the air can be navigated in the future as water is now. Genius hardly ever possesses the funds for experimenting, and in so great a matter as aerial navigation it seems to the ordinary mind an imperative duty not only to commence this work as provided in the bill under consideration, but to continue it until success crowns the efforts of some one in case Mr. Cowdon should fail.

Hundreds of thousands of dollars have been spent in sending men to die in the futile and useless task of reaching the poles of the earth, and why a few thousands—yes, a few millions, if necessary—should not be expended in accomplishing the grandest work ever attempted by man, is beyond my comprehension.

This matter of aerial navigation, having been contemplated by Mr. Cowdon in this bill, as well as more fully presented in S. 3246 and H. R. 9805, has been asked for by 121 petitioners, and, in my opinion, shows that this appropriation will be approved by the public generally.

Respectfully submitted.

EZRA NAT. HILL,
Attorney at Law, 608 F street N. W., Washington, D. C.



SALE OF BONDS.

TESTIMONY TAKEN BY COMMITTEE ON FINANCE.

INVESTIGATION
OF
THE SALE OF BONDS
DURING
THE YEARS 1894, 1895, AND 1896,
UNDER
RESOLUTION OF THE SENATE OF MAY 7, 1896,
BY THE
COMMITTEE ON FINANCE.

MAY 12, 1896.—The Committee on Finance appointed the following

SUBCOMMITTEE:

ISHAM G. HARRIS, OF TENNESSEE, *Chairman*.
GEORGE G. VEST, OF MISSOURI. JNO. P. JONES, OF NEVADA.
EDWARD C. WALTHALL, OF MISSISSIPPI. O. H. PLATT, OF CONNECTICUT.

MARCH 2, 1897.—Ordered to be printed.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1896.

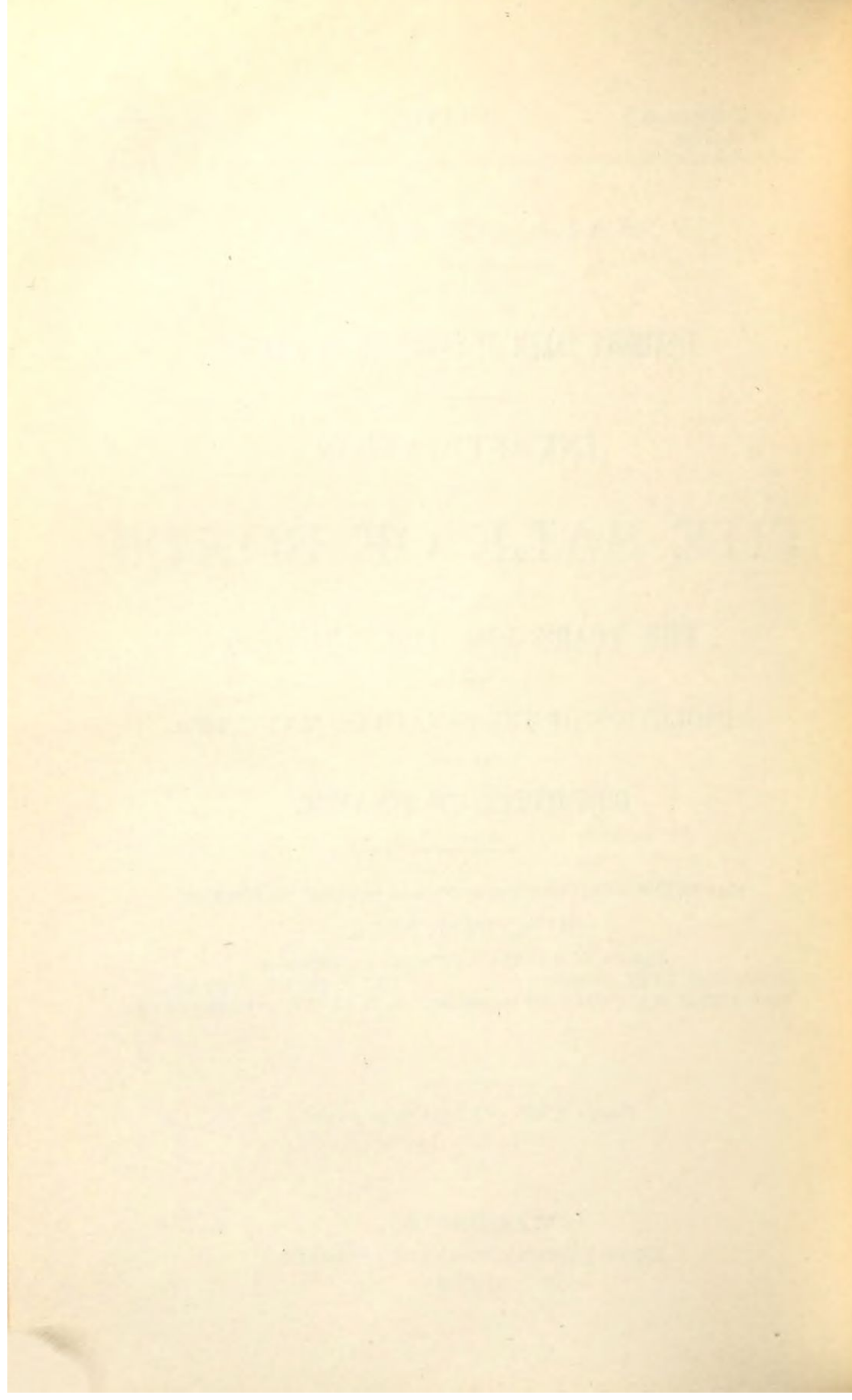


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PROCEEDINGS OF THE SUBCOMMITTEE OF THE FINANCE
COMMITTEE OF THE UNITED STATES SENATE ON
INVESTIGATION OF THE SALE OF UNITED STATES
BONDS BY THE TREASURY DEPARTMENT DURING
THE YEARS 1894, 1895, AND 1896.

FIRST MEETING, MAY 22, 1896.

The subcommittee of the Committee on Finance, designated by the chairman on May 12, held their first meeting in the rooms of the Committee on Finance May 22, 1896. Present: Senators Harris, Vest, Walthall, and Platt.

Hereto are attached copies of the resolutions of the Senate, which the subcommittee are directed to comply with:

IN THE SENATE OF THE UNITED STATES, *May 7, 1896.*

Resolved, That the Committee on Finance be directed—

First. To investigate and report generally all the material facts and circumstances connected with the sale of United States bonds by the Secretary of the Treasury in the years eighteen hundred and ninety-four, eighteen hundred and ninety-five, and eighteen hundred and ninety-six.

Second. To investigate and report specially what amount of available funds, classified, was in the United States Treasury and on deposit in other places, subject to the order of the Secretary of the Treasury, at the time the bonds were sold or offered for sale; whether there was or was not coin enough on hand to meet all coin obligations of the Government due at the time said bonds were sold or when they were offered for sale; what obligations were due at that time and the amount of each, stated separately; what was the reason for any unusual withdrawal of coin from the Treasury shortly before bonds were sold or offered for sale, if such unusual withdrawals were in fact made, and by what persons or classes of persons and for what purpose or on what account such withdrawals were made; who purchased the bonds, in what amounts, and where, whether in the United States or in foreign countries, and in what proportions, and from what persons or classes of persons the gold was procured with which to pay for the bonds, what the bonds sold for, and what was the market price of our Government bonds at the time; and what effect the bond sales had on the credit and business of the people of the United States.

Third. To investigate and report as to the manner of disposing of said bonds, by what authority, and what contracts, advertisements, or proposals were made by the Secretary of the Treasury in relation thereto; what agreements or contracts, and whether oral or in writing, and whether publicly or privately, were entered into by the Secretary of the Treasury and any syndicate or person or persons with respect to the sale and purchase of the bonds, and the profits made or to be made by such syndicate or any person or persons connected with such syndicate, directly or indirectly; whether such contract or agreement had any and what effect on the prices offered for the bonds, what the effect was, and who, if any person, profited by it, and to what extent.

Attest:

WM. R. COX, *Secretary.*

IN THE SENATE OF THE UNITED STATES, *May 18, 1896.*

Resolved, That for the purpose of making the investigation and report ordered by Senate resolution of May 7, 1896, the Committee on Finance be, and they are hereby, authorized to sit, by subcommittee or otherwise, to summon witnesses, and to administer oaths, during the session or recess of the Senate, at such times and places as they may deem advisable, and to employ stenographers and such clerical and other assistance as may be necessary, the expense of such investigation to be paid from the contingent fund of the Senate.

Attest:

WM. R. COX, *Secretary.*

Subsequent to the meeting of the committee the following letters were forwarded by the chairman of the subcommittee:

UNITED STATES SENATE, *May 22, 1896.*

DEAR SIR: The subcommittee of the Senate Committee on Finance, charged with the investigation of the sale of bonds of the United States in the years 1894, 1895, and 1896, instructs me to inquire at what time it will be convenient for you to submit the report which you expressed your readiness to submit in your letter to the Hon. Justin S. Morrill, chairman of the Finance Committee, prior to the appointment of the subcommittee to conduct this investigation.* The subcommittee directs me to say that it would be glad to have your written report at the earliest day that will be convenient to submit the same.

Respectfully,

ISHAM G. HARRIS,
Chairman Subcommittee.

Hon. JOHN G. CARLISLE,
Secretary of the Treasury.

UNITED STATES SENATE, *May 22, 1896.*

DEAR SIR: Inclosed herewith you will find a copy of the resolution of the Senate instructing the Finance Committee to investigate the sale of United States bonds during the years 1894, 1895, and 1896.

*The letter referred to is as follows:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., May 12, 1896.

DEAR SIR: Your favor of yesterday, in which you inclose a copy of the resolution adopted by the Senate on the 7th instant, providing for an investigation of the "facts and circumstances connected with the sale of United States bonds by the Secretary of the Treasury in the years 1894, 1895, and 1896," and say that the Committee on Finance would be pleased to receive from me any statement, orally or in writing, in relation thereto which I may choose to submit, at the earliest day that would suit my convenience, is received, and in response I have the honor to say that I have no preference as to the mode of proceeding in making the investigation, and will cheerfully conform to any order the committee may adopt concerning the method of presenting such information as may be in my possession, and will submit a written statement or appear in person, or do both if desired.

It is proper, however, to advise the committee that, owing to the wide scope of the inquiry provided for in the resolution and the number and character of the details called for, several days will necessarily be occupied in collecting and arranging the papers, statistics, and other matter required in order to present the history of the several sales of bonds in a connected and intelligible form.

I beg leave, therefore, to suggest that a reasonable time be allowed for this purpose, and that the committee will advise me of the manner in which it desires to have my statement submitted.

Very truly, yours,

J. G. CARLISLE, *Secretary.*

Hon. JUSTIN S. MORRILL,
*Chairman of the Committee on Finance,
United States Senate.*

That committee has directed an investigation to be made by a subcommittee composed of Senators Vest, Walthall, Jones of Nevada, Platt, and myself.

Will you advise me by return mail when it would be convenient to appear before the subcommittee and submit such information as you have in respect to the sales of bonds referred to in the resolution?

Respectfully,

ISHAM G. HARRIS,
Chairman Subcommittee.

Hon. J. PIERPONT MORGAN.

REPLY OF HON. J. PIERPONT MORGAN.

LONDON, *May 26, 1896.*

SENATOR HARRIS, *Senate Chamber, Washington, D. C.:*

My firm cable me of your notice. Regret absence from country will delay, but will sail Wednesday next week, *Teutonic*, and hold myself at the call of your committee. My cable address is simply Dover House, London.

PIERPONT MORGAN.

FIRST REPLY OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., May 23, 1896.

DEAR SIR: Your favor of the 22d instant is just received, and in response I have the honor to say that the material necessary in the preparation of the statement called for by the Committee on Finance is being collected as rapidly as possible, and I hope to be able within a few days to communicate the facts, so far as they are in the possession of this Department.

Very respectfully, yours,

J. G. CARLISLE, *Secretary.*

Hon. ISHAM G. HARRIS,
*Chairman Subcommittee, Committee on Finance,
United States Senate.*

SECOND REPLY OF THE SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., June 1, 1896.

SIR: In response to the request of the Committee on Finance, I have the honor to submit, in as succinct a form as possible, a statement showing "generally all the material facts and circumstances connected with the sale of United States bonds by the Secretary of the Treasury in the years eighteen hundred and ninety-four, eighteen hundred and ninety-five, and eighteen hundred and ninety-six," together with such other information as I have concerning the particular matters which

the subcommittee is directed to investigate under the Senate resolution of May 7, 1896.

Largely on account of apprehensions in this country and abroad as to the ability of the Government of the United States to continue the current redemption of its notes in gold coin, and maintain the parity of the two metals, the exports of gold during the fiscal year 1893, which closed June 30, 1893, reached the unprecedented amount of \$108,680,844, nearly all of which was withdrawn from the public Treasury by the presentation of notes for redemption. During the three months next preceding the 7th day of March, 1893, when I assumed control of this Department, the withdrawals of gold from the Treasury amounted to \$35,563,093, while the exports amounted to \$39,709,730, and during the eight months next succeeding that date the withdrawals amounted to \$50,197,219, while the exports amounted to \$39,959,529, showing an excess of withdrawals over exports to the amount of \$10,237,960. These withdrawals and shipments began on a large scale in June, 1892—the last month of the fiscal year 1892—and continued with only short periods of intermission until the close of the fiscal year 1893. On the 31st day of December, 1892, the free gold in the Treasury amounted to \$121,266,662.29, but by January 31, 1893, it had been reduced to \$108,181,713.53, and on the 28th of February it had fallen to \$103,284,218.91, or only \$3,284,218.91 in excess of the lawful reserve. The reserve fund would have fallen below \$100,000,000 before March 1, 1893, if my predecessor in office had not effected arrangements in January and February by which the sum of about \$8,250,000 in gold was procured from certain bankers at New York in exchange for United States notes and otherwise.

During each of the months of November and December, 1892, and January and February, 1893, the public expenditures exceeded the receipts, the total deficiency for the four months being \$5,810,549.52, and on the 7th day of March, 1893, the available cash balance in the Treasury was \$124,613,810, which included \$100,982,410 in gold, or \$982,410 in excess of the lawful reserve; but, by making exchanges of currency for gold with the banks in different parts of the country, the amount was increased to \$107,462,682 on the 25th of that month, although large withdrawals were made in the interval. Notwithstanding the most strenuous efforts by the Department to maintain the \$100,000,000 reserve intact, the presentation of notes for redemption to procure gold for shipment abroad continued to such an extent that, on the 22d day of April, 1893, for the first time since the fund was established, it became necessary to use a part of it for redemption purposes, and it was reduced to \$95,432,357; but it was afterwards increased by exchanges of other forms of currency for gold, so that on the 10th day of August it had been fully restored, and there was on hand \$103,683,290 in free gold; but by December 30, 1893, it had fallen to \$80,861,601.13, and was reduced on the 17th day of January, 1894, to the sum of \$69,757,824. The cash balance then in the Treasury, excluding the current liabilities, but including the gold reserve and all subsidiary and minor coin, was only \$83,961,402. Very little gold was being received on account of dues to the Government, and it was therefore impossible to increase the reserve without resorting to the issue and sale of bonds, under the authority conferred by the act of January 14, 1875, commonly known as the resumption act. At this date there was no free gold coin in the Treasury, all the coin on hand being covered by outstanding certificates. The \$69,757,824 then held as free gold was in the form of bullion.

The third section of the act to provide for the resumption of specie payments, approved January 14, 1875, is as follows:

SEC. 3. That section five thousand one hundred and seventy-seven of the Revised Statutes, limiting the aggregate amount of circulating notes of national banking associations be, and is hereby, repealed; and each existing banking association may increase its circulating notes in accordance with existing law without respect to said aggregate limit; and new banking associations may be organized in accordance with existing law without respect to said aggregate limit; and the provisions of law for the withdrawal and redistribution of national-bank currency among the several States and Territories are hereby repealed. And whenever, and so often, as circulating notes shall be issued to any such banking association, so increasing its capital or circulating notes, or so newly organized as aforesaid, it shall be the duty of Secretary of the Treasury to redeem the legal-tender United States notes in excess only of three hundred million of dollars, to the amount of eighty per centum of the sum of national-bank notes so issued to any such banking association as aforesaid and to continue such redemption as such circulating notes are issued until there shall be outstanding the sum of three hundred million dollars of such legal-tender United States notes, and no more. And on and after the first day of January, anno Domini eighteen hundred and seventy-nine, the Secretary of the Treasury shall redeem, in coin, the United States legal-tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer of the United States in the city of New York, in sums of not less than fifty dollars. And to enable the Secretary of the Treasury to prepare and provide for the redemption in this act authorized or required, he is authorized to use any surplus revenues, from time to time, in the Treasury not otherwise appropriated, and to issue, sell and dispose of, at not less than par, in coin, either of the descriptions of bonds of the United States described in the act of Congress approved July fourteenth, eighteen hundred and seventy, entitled "An act to authorize the refunding of the national debt," with like qualities, privileges, and exemptions, to the extent necessary to carry this act into full effect, and to use the proceeds thereof for the purposes aforesaid. And all provisions of law inconsistent with the provisions of this act are hereby repealed.

The act of July 14, 1870, referred to for a description of the bonds authorized to be issued, provides—

That the Secretary of the Treasury is hereby authorized to issue, in a sum or sums not exceeding in the aggregate two hundred million dollars, coupon or registered bonds of the United States, in such form as he may prescribe, and of denominations of fifty dollars, or some multiple of that sum, redeemable in coin of the present standard value, at the pleasure of the United States, after ten years from the date of their issue, and bearing interest, payable semiannually in such coin, at the rate of five per cent per annum; also a sum or sums not exceeding in the aggregate three hundred million dollars of like bonds, the same in all respects, but payable at the pleasure of the United States, after fifteen years from the date of their issue, and bearing interest at the rate of four and a half per cent per annum; also a sum or sums not exceeding in the aggregate one thousand million dollars of like bonds, the same in all respects, but payable at the pleasure of the United States, after thirty years from the date of their issue, and bearing interest at the rate of four per cent per annum; all of which said several classes of bonds and the interest thereon shall be exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority; and the said bonds shall have set forth and expressed upon their face the above specified conditions, and shall, with their coupons, be made payable at the Treasury of the United States.

On the 17th day of January, 1894, a circular was issued for public subscriptions to an issue of bonds of the United States to the amount of \$50,000,000, in either registered or coupon form, in denominations of \$50 and multiples of that sum, redeemable in coin, at the pleasure of the Government after ten years from the date of their issue, and bearing interest payable quarterly in coin, at the rate of 5 per cent per annum. Proposals were to be received until 12 o'clock, noon, on the 1st day of February, 1894, and notice was given that no bid would be considered at a lower price than \$117.223, which was the equivalent of a 3 per cent bond at par. The right to reject any or all bids was expressly reserved. On the 3d of February, 1894, bonds to the amount of \$9,295,300 were allotted to bidders at various prices above \$117.223, and bonds to

the amount of \$40,704,700 were allotted to numerous bidders at the price of \$117.223, no bid being accepted which would yield the purchaser more than 3 per cent upon his investment. The proceeds of this sale amounted to the sum of \$58,660,917.63, which was paid into the Treasury in gold coin and gold certificates. The details of this transaction, including the names and residences of the purchasers of the bonds, the price bid by each, and the amount allotted to each, are shown in a communication to the Senate of the United States dated the 7th day of February, 1894, a copy of which is hereto appended.

On the 6th day of March, 1894, after this sale had been completed, the free gold in the Treasury amounted to the sum of \$107,446,802, and after falling to \$52,189,500, on the 7th day of August, 1894, it was slowly replenished by voluntary exchanges of gold coin for United States notes and other currency by the banks, and by small receipts of gold in the payment of dues to the Government, until the 14th day of November, 1894, when it reached the sum of \$61,878,374. In the meantime, however, the frequent presentation of notes for redemption in gold by individuals and institutions not desiring it for export clearly indicated the existence of a feeling of uneasiness in the public mind, while foreign exchange was almost constantly at or near a rate which made it necessary to export gold to pay bills at their maturity, and consequently withdrawals for shipment were daily threatened. In addition to these causes of anxiety, the large accumulation of idle money at our financial centers, and the general depression in business which prevailed, prevented the employment of foreign capital here and in many cases induced its withdrawal from this country, and made it highly imprudent, therefore, to neglect any precaution which appeared necessary to insure the safety of our financial position. In fact, some shipments of gold were actually being made, and as the season was then approaching when, in the usual course of trade and financial operations, large exportations nearly always occur, it was considered absolutely necessary for the maintenance of the public credit and the continued execution of the monetary policy declared by Congress in the act of July 14, 1890, and repeated in the act of November 1, 1893, to resort again to an issue of bonds. With practically no receipts of gold from customs or other sources, it was evident that the Treasury would be unable to meet even the usual demands for export, which, however, would probably have been very much augmented by the increased apprehension produced by the depleted condition of the reserve. With only the sum of \$61,878,374 at the beginning, it would not have been possible, in my opinion, to meet the obligations of the Government in the manner plainly required by the letter and spirit of the statutes enacted by Congress upon the subject.

This was the condition of affairs when, on the 14th day of November, 1894, public proposals were issued for the sale of additional United States 5 per cent ten-year bonds to the amount of \$50,000,000, reserving in the official announcement the right to reject any or all bids, and requiring the payment of 20 per cent in gold coin or gold certificates at the time of the acceptance of each bid, and 20 per cent at the end of each ten days thereafter, but giving the successful bidders the option to pay the whole amount at once or at the maturity of any one of the intervening installments. The result of this proposition was that 486 bids were received, amounting to \$178,836,050, nearly all of which were at rates which would yield to the investors 3 per cent or less upon the sums awarded to them. One bid for the whole sum of \$50,000,000, "all or none," upon the basis of 2.878 per cent, being the most advantageous

offer for the Government that was made, either singly or by aggregating the separate bids, was accepted, and the proceeds of the sale, \$58,538,500, were paid into the Treasury according to the terms of sale. The names and residences of the several bidders, with the price bid by each, and the amount allotted, are shown on a paper which is appended hereto. The payments into the Treasury on account of this sale were not entirely completed until after the 1st day of December, 1894, and it soon became evident that the transaction had not been effectual to stop withdrawals of gold. In that month the withdrawals amounted to \$31,907,221, and during the next (January, 1895) they amounted to \$45,117,738, and they continued without diminution during the early days of February, until on the 8th of that month the reserve had been reduced to \$41,340,181, and several millions more had been demanded, a part of which was taken out and afterwards returned to the Treasury, on account of the temporary restoration of confidence resulting from the fact that it became generally known to the public that measures were about to be taken for the replenishment of the reserve.

These large withdrawals were due almost entirely, so far as could be ascertained, to a feeling of apprehension in the public mind, especially among the holders of our securities abroad, which increased in intensity from day to day until it reached the proportions of a panic in the financial centers, and it was evident to all who were familiar with the situation that, unless effectual steps were promptly taken to check the growing distrust, the Government would be compelled within a few days to suspend gold payments and drop to a silver and paper standard. More than \$43,000,000 of the amount withdrawn during the brief period last mentioned was not demanded for export, but was taken out by people who had become seriously alarmed on account of the critical condition of the Treasury in its relations to the currency of the country. The situation was so grave that the attention of Congress was called to the subject by a special message from the President of the United States on the 28th day of January, 1895, in which, among other things, he said:

The real trouble which confronts us consists in a lack of confidence, widespread and constantly increasing, in the continuing ability or disposition of the Government to pay its obligations in gold. This lack of confidence grows to some extent out of the palpable and apparent embarrassment attending the efforts of the Government under existing laws to procure gold, and to a greater extent out of the impossibility of either keeping it in the Treasury or canceling obligations by its expenditure after it is obtained.

The only way left open to the Government for procuring gold is by the issue and sale of its bonds. The only bonds that can be so issued were authorized nearly twenty-five years ago, and are not well calculated to meet our present needs. Among other disadvantages, they are made payable in coin, instead of specifically in gold, which, in existing conditions, detracts largely and in an increasing ratio from their desirability as investments. It is by no means certain that bonds of this description can much longer be disposed of at a price creditable to the financial character of our Government.

The most dangerous and irritating feature of the situation, however, remains to be mentioned. It is found in the means by which the Treasury is despoiled of the gold thus obtained without canceling a single Government obligation and solely for the benefit of those who find profit in shipping it abroad or whose fears induce them to hoard it at home. We have outstanding about 500 millions of currency notes of the Government for which gold may be demanded, and, curiously enough, the law requires that when presented and, in fact, redeemed and paid in gold, they shall be reissued. Thus the same notes may do duty many times in drawing gold from the Treasury; nor can the process be arrested as long as private parties, for profit or otherwise, see an advantage in repeating the operation. More than \$300,000,000 in these notes have already been redeemed in gold, and notwithstanding such redemption they are still outstanding. Since the 17th day of January, 1894, our bonded interest-bearing debt has been increased \$100,000,000 for the purpose of obtaining gold to replenish our coin reserve. Two issues were made amounting to

50 millions each—one in January and the other in November. As a result of the first issue there was realized something more than \$58,000,000 in gold. Between that issue and the succeeding one in November, comprising a period of about ten months, nearly \$103,000,000 in gold were drawn from the Treasury. This made the second issue necessary, and upon that more than 58 millions in gold was again realized. Between the date of this second issue and the present time, covering a period of only about two months, more than \$69,000,000 in gold have been drawn from the Treasury. These large sums of gold were expended without any cancellation of Government obligations or in any permanent way benefiting our people or improving our pecuniary situation.

The financial events of the past year suggest facts and conditions which should certainly arrest attention.

More than \$172,000,000 in gold have been drawn out of the Treasury during the year for the purpose of shipment abroad or hoarding at home.

While nearly 103 millions of this amount was drawn out during the first ten months of the year, a sum aggregating more than two-thirds of that amount, being about 69 millions, was drawn out during the following two months, thus indicating a marked acceleration of the depleting process with the lapse of time.

The obligations upon which this gold has been drawn from the Treasury are still outstanding and are available for use in repeating the exhausting operation with shorter intervals as our perplexities accumulate.

Conditions are certainly supervening tending to make the bonds which may be issued to replenish our gold less useful for that purpose.

An adequate gold reserve is in all circumstances absolutely essential to the upholding of our public credit and to the maintenance of our high national character.

Our gold reserve has again reached such a stage of diminution as to require its speedy reenforcement.

The aggravations that must inevitably follow present conditions and methods will certainly lead to misfortune and loss, not only to our national credit and prosperity and to financial enterprise, but to those of our people who seek employment as a means of livelihood, and to those whose only capital is their daily labor.

It will hardly do to say that a simple increase of revenue will cure our troubles. The apprehension now existing and constantly increasing as to our financial ability does not rest upon a calculation of our revenue. The time has passed when the eyes of investors abroad and our people at home were fixed upon the revenues of the Government. Changed conditions have attracted their attention to the gold of the Government. There need be no fear that we can not pay our current expenses with such money as we have. There is now in the Treasury a comfortable surplus of more than \$63,000,000, but it is not in gold, and therefore does not meet our difficulty.

I can not see that differences of opinion concerning the extent to which silver ought to be coined or used in our currency should interfere with the counsels of those whose duty it is to rectify evils now apparent in our financial situation. They have to consider the question of national credit, and the consequences that will follow from its collapse. Whatever ideas may be insisted upon as to silver or bimetallism, a proper solution of the question now pressing upon us only requires a recognition of gold as well as silver, and a concession of its importance, rightfully or wrongfully acquired, as a basis of national credit, a necessity in the honorable discharge of our obligations payable in gold, and a badge of solvency. I do not understand that the real friends of silver desire a condition that might follow inaction or neglect to appreciate the meaning of the present exigency, if it should result in the entire banishment of gold from our financial and currency arrangements.

Besides the Treasury notes, which certainly should be paid in gold, amounting to nearly \$500,000,000, there will fall due in 1904 one hundred millions of bonds issued during the last year, for which we have received gold, and in 1907 nearly six hundred millions of 4 per cent bonds issued in 1877. Shall the payment of these obligations in gold be repudiated? If they are to be paid in such a manner as the preservation of our national honor and national solvency demands, we should not destroy or even imperil our ability to supply ourselves with gold for that purpose.

While I am not unfriendly to silver, and while I desire to see it recognized to such an extent as is consistent with financial safety and the preservation of national honor and credit, I am not willing to see gold entirely banished from our currency and finances. To avert such a consequence I believe thorough and radical remedial legislation should be promptly passed. I therefore beg the Congress to give the subject immediate attention.

In my opinion the Secretary of the Treasury should be authorized to issue bonds of the Government for the purpose of procuring and maintaining a sufficient gold reserve and the redemption and cancellation of the United States legal-tender notes and the Treasury notes issued for the purchase of silver under the law of July 14, 1890. We should be relieved from the humiliating process of issuing bonds to procure gold to be immediately and repeatedly drawn out on these obligations for

purposes not related to the benefit of our Government or our people. The principal and interest of these bonds should be payable on their face in gold, because they should be sold only for gold or its representative, and because there would now probably be difficulty in favorably disposing of bonds not containing this stipulation. I suggest that the bonds be issued in denominations of twenty and fifty dollars and their multiples and that they bear interest at a rate not exceeding 3 per cent per annum. I do not see why they should not be payable fifty years from their date. We of the present generation have large amounts to pay if we meet our obligations, and long bonds are most salable. The Secretary of the Treasury might well be permitted, at his discretion, to receive on the sale of bonds the legal-tender and Treasury notes to be retired, and, of course, when they are thus retired or redeemed in gold they should be canceled.

These bonds under existing laws could be deposited by national banks as security for circulation; and such banks should be allowed to issue circulation up to the face value of these or any other bonds so deposited, except bonds outstanding bearing only 2 per cent interest, and which sell in the market at less than par. National banks should not be allowed to take out circulating notes of a less denomination than \$10, and when such as are now outstanding reach the Treasury, except for redemption and retirement, they should be canceled and notes of the denomination of \$10 and upward issued in their stead. Silver certificates of the denomination of \$10 and upward should be replaced by certificates of denominations under \$10. * * *

The message closed as follows:

In conclusion, I desire to frankly confess my reluctance to issuing more bonds in present circumstances and with no better results than have lately followed that course. I can not, however, refrain from adding to an assurance of my anxiety to cooperate with the present Congress in any reasonable measure of relief, an expression of my determination to leave nothing undone which furnishes a hope for improving the situation or checking a suspicion of our disinclination or disability to meet with the strictest honor every national obligation.

At this time there was no gold coin in the Treasury not covered by outstanding certificates, all the free gold on hand being in the form of bullion.

Congress failed to pass any measure for the relief of the Treasury, or to take any action calculated to allay the serious apprehensions then existing in the public mind, and consequently a contract was entered into by the Secretary of the Treasury, on the 8th day of February, 1895, with August Belmont & Co., of New York, on behalf of themselves, and Messrs. N. M. Rothschild & Sons, of London, and J. P. Morgan & Co., of New York, on behalf of themselves, and J. S. Morgan & Co., of London, for the purchase of 3,500,000 ounces of standard gold, at the price of \$17.80441 per ounce, to be paid for by the delivery of United States bonds having thirty years to run and bearing 4 per cent interest, and the gold to be deposited at the United States subtreasuries. By the terms of this contract not less than one-half of the gold was to be procured abroad, and the parties with whom it was made stipulated that they would, "as far as lies in their power, exert all financial influence and make all legitimate efforts to protect the Treasury of the United States against the withdrawals of gold, pending the complete performance of this contract." One ounce of standard gold was worth \$18.60465, and the difference between that sum and the contract price (\$17.80441) represented the premium received by the Government on the bonds, making the price at which the bonds were accepted \$104.4946. At this price they would yield to the investor 3.75 per cent per annum.

It was stipulated in the contract, a copy of which is appended hereto, that if the Secretary of the Treasury should desire to offer or sell any bonds of the United States on or before the 1st day of October, 1895, he should first offer them to the parties of the second part; but there was no stipulation, agreement, or understanding as to the price at which they should be offered, that being left entirely to the discretion of the Secretary. The parties of the second part simply secured the option

to take such bonds as might be offered for sale on or before October 1, 1895, at such price as the Secretary might fix at the time of the offer, and, if they should decline to purchase at that price, the sales might then be made to others. The contract contained the following clause:

Third. The Secretary of the Treasury hereby reserves the right within ten days from date hereof, in case he shall receive authority from Congress therefor, to substitute any bonds of the United States, bearing 3 per cent interest, of which the principal and interest shall be specifically payable in United States gold coin of the present weight and fineness for the bonds herein alluded to; such 3 per cent bonds to be accepted by the parties of the second part at par, i. e., at \$18.60465 per ounce of standard gold.

In order that Congress might be afforded the earliest possible opportunity to take such action on the subject as it might consider most beneficial to the public interest, the President of the United States, on the same day and immediately upon the execution of the contract, transmitted the following special message to that body:

To the Congress of the United States:

Since my recent communication to the Congress, calling attention to our financial condition and suggesting legislation which I deemed essential to our national welfare and credit, the anxiety and apprehension then existing in business circles have continued.

As a precaution, therefore, against the failure of timely legislative aid through Congressional action, cautious preparations have been pending to employ to the best possible advantage, in default of better means, such executive authority as may, without additional legislation, be exercised for the purpose of reenforcing and maintaining in our Treasury an adequate and safe gold reserve.

In the judgment of those especially charged with this responsibility, the business situation is so critical and the legislative situation is so unpromising, with the omission thus far on the part of Congress to beneficially enlarge the powers of the Secretary of the Treasury in the premises, as to enjoin immediate Executive action with the facilities now at hand.

Therefore, in pursuance of section 3700 of the Revised Statutes, the details of an arrangement have this day been concluded with parties abundantly able to fulfill their undertaking, whereby bonds of the United States, authorized under the act of July 14, 1875, payable in coin thirty years after their date, with interest at the rate of 4 per cent per annum, to the amount of a little less than \$62,400,000, are to be issued for the purchase of gold coin, amounting to a sum slightly in excess of \$65,000,000, to be delivered to the Treasury of the United States, which sum, added to the gold now held in our reserve, will so restore such reserve as to make it amount to something more than \$100,000,000. Such a premium is to be allowed to the Government upon the bonds as to fix the rate of interest upon the amount of gold realized at $3\frac{1}{4}$ per cent per annum. At least one-half of the gold to be obtained is to be supplied from abroad, which is a very important and favorable feature of the transaction.

The privilege is especially reserved to the Government to substitute at par within ten days from this date, in lieu of the 4 per cent coin bonds, other bonds in terms payable in gold and bearing only 3 per cent interest, if the issue of the same should in the meantime be authorized by the Congress.

The arrangement thus completed, which, after careful inquiry, appears in present circumstances and considering all the objects desired to be the best attainable, develops such a difference in the estimation of investors between bonds made payable in coin and those specifically made payable in gold in favor of the latter as is represented by three-fourths of a cent in annual interest. In the agreement just concluded the annual saving in interest to the Government, if 3 per cent gold bonds should be substituted for 4 per cent coin bonds under the privilege reserved, would be \$539,159, amounting in thirty years, or at the maturity of the coin bonds, to \$16,174,770.

Of course there never should be a doubt in any quarter as to the redemption in gold of the bonds of the Government which are made payable in coin. Therefore, the discrimination, in the judgment of investors, between our bond obligations payable in coin and those specifically made payable in gold is very significant. It is hardly necessary to suggest that, whatever may be our views on the subject, the sentiments or preferences of those with whom we must negotiate in disposing of our bonds for gold are not subject to our dictation.

I have only to add that in my opinion the transaction herein detailed for the information of the Congress promises better results than the efforts previously made

in the direction of effectively adding to our gold reserve through the sale of bonds; and I believe it will tend, as far as such action can in present circumstances, to meet the determination expressed in the law repealing the silver-purchasing clause of the act of July 14, 1890, and that, in the language of such repealing act, the arrangement made will aid our efforts to "insure the maintenance of the parity in value of the coins of the two metals and the equal power of every dollar at all times in the markets and in the payment of debts."

A bill was introduced in the House of Representatives to authorize the substitution of 3 per cent bonds, payable in gold, for the 4 per cent bonds described in the contract, but it failed to pass, and consequently the parties proceeded to complete the transaction by the exchange of gold for 4 per cent thirty-year bonds, according to the terms of the contract. The amount of bonds issued under this contract was \$62,315,400, and the amount of gold received was \$65,116,244.62. The last deposit of gold to complete the delivery under the contract was made June 24, 1895, but the parties continued to make deposits until September 11, 1895, in exchange for United States notes and Treasury notes, the amount so deposited being \$16,127,432.94, so that the total amount of gold received from them in exchange for bonds and notes was \$81,243,677.56. The agreement by the parties of the second part that they would, as far as in their power, make all legitimate efforts to protect the Treasury of the United States against withdrawals of gold pending the performance of the contract was faithfully and efficiently carried out, and no gold was taken from the Treasury to be used in paying for the bonds, as had been done in the two previous sales, nor was any withdrawn for shipment until after the delivery of gold in exchange for bonds had been completed under the contract. After a large part of the gold had been furnished from abroad, the Secretary, in order to prevent disturbances in the rates of foreign exchange at a critical period, and create a condition which would force gold exports and consequent withdrawals, acquiesced in a departure from the literal terms of the contract requiring one-half of the coin to be procured abroad, and accepted deposits of gold then held in this country to complete the delivery.

There are two methods of protecting the gold reserve, one by procuring gold for that purpose outside of the Treasury, and the other by supplying the market with bills of exchange at such rates as will prevent withdrawals from the Treasury for export. While the contract was in process of execution the parties in this country drew bills on their associates and others abroad and used them to supply foreign exchange for the market at New York, thereby preventing withdrawals of gold from the Treasury for export, and in this way the reserve was protected as long as the bills could be furnished; but finally, when conditions had arisen under which it would not have been possible to make more bills without sending the gold abroad to meet them at maturity, the Government was confronted by a prospect of immediate exports if it insisted upon a literal compliance with the terms of the contract, because the gold imported and paid into the Treasury would have been taken out at once and sent abroad for the purpose just stated. The effect, therefore, of the permission to make a part of the payment for the bonds by depositing gold already in this country was precisely the same as if the amount had been imported and then withdrawn for export, which, under the conditions then existing, would undoubtedly have been done. If, under such circumstances, a strict compliance with the terms of the contract had been exacted, the object for which it was made would have been partially defeated, and large withdrawals of gold for export would have renewed the feeling of distrust which the

financial operations during the spring and summer had substantially allayed.

The rates of exchange continued very firm during the summer of 1895, and in August, September, October, and November, after the completion of the contract, the withdrawals of gold from the Treasury amounted to \$52,143,028, and in the month of December alone they amounted to \$15,481,347. In his annual message to the Congress, dated December 2, 1895, the President called the attention of that body to these demands upon the Treasury and to the serious nature of the difficulties encountered by the Government in its efforts to maintain the reserve under the existing system of financial legislation, and again urgently recommended the speedy adoption of a specific plan for their permanent removal. The large and rapid withdrawals during the months just mentioned at first began on account of a great scarcity of foreign exchange in our market, but they soon excited a feeling of alarm and distrust in financial circles at home and abroad, which made the situation extremely critical, and on the 20th day of December, 1895, the President of the United States sent another special message to Congress, urging immediate legislative action upon the subject. In this message the President said:

In my last annual message the evils of our present financial system were plainly pointed out and the causes and means of the depletion of Government gold were explained. It was therein stated that after all the efforts that had been made by the executive branch of the Government to protect our gold reserve by the issuance of bonds amounting to more than \$162,000,000, such reserve then amounted to but little more than \$79,000,000; that about \$16,000,000 had been withdrawn from such reserve during the month next previous to the date of that message, and that quite large withdrawals for shipment in the immediate future were predicted.

The contingency then feared has reached us, and the withdrawals of gold since the communication referred to, and others that appear inevitable, threaten such a depletion in our Government gold reserve as brings us face to face to the necessity of further action for its protection. This condition is intensified by the prevalence in certain quarters of sudden and unusual apprehension and timidity in business circles.

We are in the midst of another season of perplexity caused by our dangerous and fatuous financial operations. These may be expected to recur with certainty as long as there is no amendment in our financial system. If, in this particular instance, our predicament is at all influenced by a recent insistence upon the position we should occupy in our relation to certain questions concerning our foreign policy, this furnishes a signal and impressive warning that even the patriotic sentiment of our people is not an adequate substitute for a sound financial policy.

Of course there can be no doubt in any thoughtful mind as to the complete solvency of our nation, nor can there be any just apprehension that the American people will be satisfied with less than an honest payment of our public obligations in the recognized money of the world. We should not overlook the fact, however, that aroused fear is unreasoning and must be taken into account in all efforts to avert possible loss and the sacrifice of our people's interests.

The real and sensible cure for our recurring troubles can only be effected by a complete change in our financial scheme. Pending that, the executive branch of the Government will not relax its efforts nor abandon its determination to use every means within its reach to maintain before the world American credit, nor will there be any hesitation in exhibiting its confidence in the resources of our country and the constant patriotism of our people.

In view, however, of the peculiar situation now confronting us, I have ventured to herein express the earnest hope that Congress, in default of the inauguration of a better system of finance, will not take a recess from its labors before it has, by legislative enactment or declaration, done something not only to remind those apprehensive among our own people that the resources of their Government and a scrupulous regard for honest dealing afford a sure guaranty of unquestioned safety and soundness, but to reassure the world that with these factors, and the patriotism of our citizens, the ability and determination of our nation to meet in any circumstances every obligation it incurs do not admit of question.

I ask at the hands of the Congress such prompt aid as it alone has the power to give to prevent, in a time of fear and apprehension, any sacrifice of the people's

interests and the public funds or the impairment of our public credit in an effort by Executive action to relieve the dangers of the present emergency.

No legislation, however, was enacted by Congress, and as the financial situation, instead of improving, was constantly growing more serious, and the gold reserve having fallen to \$61,251,710, on the 6th day of January, 1896, a circular was issued calling for subscriptions for \$100,000,000 in United States four per cent bonds, of the same date and character as those sold in February, 1895. This circular was furnished to the public press and printed in the news columns of most of the newspapers of the country. Copies of the circular together with a letter of instructions to bidders and blanks for subscriptions were sent to each postmaster, with directions from the Postmaster-General to display them in a conspicuous place in his office, and the Comptroller of the Currency prepared an appeal to the national banks urging them to call the attention of their patrons to the desirability of this loan as an investment and to aid in stimulating subscriptions, and a copy of this was forwarded to each of them with a complete set of papers similar to those sent to the postmasters. Copies of these same papers were also furnished to numerous bankers, banks, and other financial institutions throughout the country. Notice was given that these papers would also be supplied upon application at the Treasury Department or at any of the subtreasuries in the United States, and these notices were distributed as widely as possible in various parts of the country. In order to avoid a possible stringency in the money market, and at the same time encourage bidding and enable as large a number of people as possible to participate in the loan, the original circular was amended by supplemental circulars dated January 9 and 15, 1896, in which the time for payment was extended and the terms upon which payments were to be made were modified. The bids were made public on the 5th day of February and numbered 4,641, the aggregate subscriptions amounting to \$688,000,000.

Upon the examination of the bids before the awards were made it was found that some of them had been made in bad faith by irresponsible parties, who had no gold nor any means of procuring it, and these bids, to the amount of \$161,030,000, were thrown out. The bids of some others were suspected not to have been made in good faith, but the circumstances actually known to the Department at the time did not, in my opinion, warrant their summary rejection. Among the latter class was a bid signed "William Graves and Associates," of New York, for \$4,500,000, which was at first accepted and afterwards thrown out on account of a failure to pay any part of the money for the bonds. Among the bids received was one for the whole \$100,000,000 from Messrs. J. P. Morgan & Co., of New York, at the price of \$110.6877. After accepting all higher bids, including the bid of "Graves and Associates" and a few other small ones—which were also afterwards forfeited for nonpayment—there remained the sum of \$33,179,850, which was allotted to J. P. Morgan & Co. at the above-stated price. When Graves and his alleged associates and other small bidders failed to comply with their bids the aggregate amount of all their offers, \$4,736,000, was awarded to J. P. Morgan & Co., their bid being, as just stated, the next highest one received under the terms of the circular. This matter was made the subject of a resolution of inquiry introduced in the House of Representatives, and on the 7th day of March, 1896, the Secretary of the Treasury, in response to a request from Hon. Nelson Dingley, jr., chairman of the Committee on Ways and Means, sent a letter to that gentleman containing a full account of the transaction up to that date,

a copy of which is appended hereto. Afterwards Graves instituted a mandamus proceeding against the Secretary of the Treasury in the supreme court of the District of Columbia, but upon the filing of the Secretary's answer and the exhibition of all the facts and correspondence relating to the subject the petition was promptly withdrawn by the plaintiff.

In this proceeding, the record of which is appended hereto, Graves alleged that in fact he had no associates in making his bid, and it is now well known that he was at the time the bid was made, and has been ever since, wholly insolvent and without any substantial financial influence or standing, and that his offer ought to have been rejected at the beginning; and it would have been rejected, along with the other fictitious bids, if the actual facts had then been certainly known. The names and residences of the several bidders, together with the amounts bid for and the prices offered, are shown in a communication from this Department to the Senate, dated on the 18th day of April, 1896, a copy of which is also appended. Up to the present time the sum of \$111,123,066.11 has been paid into the Treasury on account of the principal, premium, and interest of these bonds, and the remainder will undoubtedly be paid on or before the maturity of the last installment under the terms of the circular. The total proceeds of the sale, exclusive of interest, amounted to \$111,166,232.65, which made the average price \$111.166, and the average rate of interest received by the purchasers 3.394 per cent per annum.

The condition of the Treasury and the amounts and various kinds of money and currency on hand at the times when the several proposals for the sales of bonds were issued, and at the times when the allotments were made to bidders, and also at the date of the contract with August Belmont & Co. and J. P. Morgan & Co. and their associates, are shown in statements hereto appended. In addition to the amount of the current liabilities shown on these statements all the United States notes and Treasury notes issued under the act of 1890, and amounting generally to more than \$400,000,000, were outstanding and payable in coin on demand of the holders, and were being presented for redemption in large amounts almost daily.

There is also appended hereto, for the information of the committee, statements showing the daily prices (or quotations) of the various kinds of United States bonds during the months of January and November, 1894, February, 1895, and January and February, 1896, being the months in which the sales and allotments referred to in the resolution were made. These prices or quotations are, of course, based upon sales or offers in the open market in the ordinary course of business, the bonds being disposed of or offered in comparatively small amounts and the payments being made in currency, or by checks and drafts. I know of no method by which the market price of \$50,000,000 or \$100,000,000 in bonds, all put on the market at the same time and to be paid for in gold, can be ascertained except by offering them for sale to the public at large or by negotiating with capitalists here and in other countries who are acquainted with the value of such securities and are in the habit of dealing in them. Of course such large amounts offered at one time can not be sold for as high a price, payable in gold, as can be obtained for smaller amounts to be paid for in the ordinary way, and my opinion is that the prices received by the Government for the bonds sold in 1894, 1895, and 1896 were as high as it was possible to obtain under the circumstances existing at the times when the sales were made. The fact that bonds are offered for sale by the Government

only at times when the financial affairs of the country are greatly disturbed and the market more or less depressed on account of the business situation and the feeling of insecurity which always prevails at such periods among investors necessarily prevents the realization of as good prices as might be procured if advantage could be taken of the most favorable opportunities for effecting the sales. The same conditions which make the issue of bonds necessary also depress the price of such securities in all the markets of the world, and consequently the Government is compelled to make its sales under the most unfavorable circumstances.

Owing to the discouraging condition of our financial affairs and the consequent lack of confidence in the ability of the Government permanently to maintain a reserve under a system of redemption and reissue of notes, very considerable difficulty was encountered in effecting the loan invited by the proposals of January 17, 1894, and at one time pending the call it was feared that the effort would fail. However, owing to extraordinary exertions made during the last two or three days preceding the time when the bids were to be opened subscriptions for the whole amount were secured, as hereinbefore stated. At the time the contract of February 8, 1895, was made the emergency was so pressing that the whole purpose of the loan would have been defeated if the replenishment of the reserve had been postponed for a sufficient length of time to advertise for bids, and besides it was exceedingly doubtful whether, under the circumstances, any sales could have been made to the general public upon as favorable terms as to the rate of interest as were secured by that contract.

At every sale of bonds by public proposals large amounts of gold have been withdrawn from the Treasury and used by the successful bidders in making payments, and it is of course impossible to prevent this practice, because in such cases arrangements can not be made with the public generally, or with each individual bidder, for the protection of the reserve pending the transaction. Between January 17, 1894, the date of the first proposal for the sale of bonds, and the time when the payments were completed, the sum of \$20,215,532 in gold was withdrawn from the Treasury, and during the period covered by the next transaction—that is, from November 13, 1894, to the 4th day of December, 1894—the sum of \$10,087,742 was withdrawn. In the first of these sales a very large proportion of the gold withdrawn was used in making payments for the bonds issued by the Government, so that the whole amount for which the bonds were sold was not, in fact, added to the reserve. The total amount of gold that has been withdrawn from the Treasury since the 6th day of January last, the date of the last proposal, is \$73,325,400, of which \$41,851,102 was not for export, but has been largely used in paying for the bonds. Under the contract of February 8, 1895, no gold was withdrawn from the Treasury and used in making payments, but the whole sum of \$65,116,244.62 was supplied from outside sources, and was, therefore, together with the amount deposited by the contractors in exchange for notes, actually added to the reserve. The result was that the fund was increased from \$41,340,181, on the 8th day of February, to \$107,447,855.56, on the 26th day of June, 1895, which was the date of the last payment under the contract. Early in July withdrawals for export began to be made, but the contractors continued to deposit gold in exchange for notes until September 11, 1895, the total of such deposits amounting to \$16,127,432.94, as heretofore stated.

In addition to the gold procured in exchange for bonds, the Treasury

has secured \$115,245,173 since March 7, 1893, in exchange for United States notes, Treasury notes of 1890, and other forms of currency, making the total amount of gold received in exchange for bonds and for currency \$408,716,967.90.

In relation to that part of the resolution which directs the committee to investigate and report "what effect the bond sales had on the credit and business of the people of the United States," I have the honor to say that, in my opinion, the sales were necessary for the preservation of the credit of the Government and the security of the business interests of the people, and that they, in fact, accomplished those results. It is not possible to state in this communication all the facts upon which this opinion is based, but it may be said, in general, that the effect of each sale was to restore confidence, for the time being at least, in the power and purpose of the Government to maintain its own credit, to preserve the parity of our coins and the value of our currency, and to check the return of our securities in large amounts from other countries for sale in the markets here. It can not be certainly known what would have been the consequences to the "credit and business interests of the people" if the executive authorities had made no effort to maintain the gold reserve held for the redemption of our national currency and had permitted that fund to become entirely exhausted; but it is believed that such a policy would have subjected all classes of our citizens to great pecuniary loss and distress. While the current reports of financial institutions, commercial bodies, and trade journals showed more or less improvement in business after each of the bond sales, their most beneficial effect upon the country must, in my opinion, be attributed to the fact that they have thus far prevented the depreciation of our currency and the destruction of our credit, and the consequent prostration of our trade and industry. The weekly records of bank clearings in different parts of the country during the spring and summer of 1895, after the execution of the contract of February 8, showed a very considerable increase of business over the corresponding weeks in the preceding year, and substantially the same result followed for a short time after the negotiation of the recent loan, but during the last month withdrawals of gold for export have been renewed, and the reports now exhibit a reduction in the amount of clearing-house transactions.

If further information from this Department should be considered necessary upon any of the matters involved in the pending investigation it will be furnished in such form as may be desired, and all the original records, accounts, correspondence, and documents of every kind relating to the several transactions in question will be placed at the disposal of the committee for its inspection at any time it may choose to designate.

Very respectfully, yours,

J. G. CARLISLE, *Secretary.*

Hon. ISHAM G. HARRIS,

Chairman Subcommittee,

Committee on Finance, United States Senate.

Statement of the public debt and of the cash in the Treasury of the United States for the month of January, 1894.

INTEREST-BEARING DEBT.

Title of loan.	Authorizing act.	Rate.	When redeemable.	Interest payable.
Funded loan of 1891....	July 14, 1870, and Jan. 20, 1871.	4½ per cent.	Option, United States. July 1, 1907.....	March, June, September, and December.
Funded loan of 1907.....	do	Continued at 2 per cent.		January, April, July, and October.
Refunding certificates.	Feb. 26, 1879.....	4 per cent.		Do.

Title of loan.	Amount issued.	Outstanding Jan. 31, 1894.			Outstanding Mar. 1, 1893.	Outstanding Feb. 1, 1894.
		Registered.	Coupon.	Total.		
Funded loan of 1891	(4½s) \$250,000,000	\$25,364,500	.....	\$25,364,500	\$25,364,500	\$25,364,500
Funded loan of 1907	740,874,450	489,004,000	\$70,609,100	559,613,100	559,595,900	559,613,100
Refunding certificates.....	40,012,750	.....	.....	62,490	73,860	62,490
Aggregate of interest-bearing debt, exclusive of United States bonds issued to Pacific Railroads, as stated below	1,030,887,200	514,368,500	70,609,100	585,040,090	585,034,260	585,040,090

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

Funded loan of 1891, matured Sept. 2, 1891.....	\$569,400.00
Old debt matured at various dates prior to Jan. 1, 1861, and other items of debt matured at various dates subsequent to Jan. 1, 1861	1,315,230.26
Aggregate of debt on which interest has ceased since maturity	1,884,630.26

DEBT BEARING NO INTEREST.

United States notes.....	Feb. 25, 1862; July 11, 1862; Mar. 3, 1863	\$346,681,016.00
Old demand notes.....	July 17, 1861; Feb. 12, 1862	55,647.50
National-bank notes: Redemption account.	July 14, 1890	24,582,359.75
Fractional currency	July 17, 1862; Mar. 3, 1863; June 30, 1864, less \$8,375,934 estimated as lost or destroyed, act of June 21, 1879.	6,898,782.42
Aggregate of debt bearing no interest.....		378,217,805.67

CERTIFICATES AND NOTES ISSUED ON DEPOSITS OF COIN AND LEGAL-TENDER NOTES AND PURCHASES OF SILVER BULLION.

Classification.	In the Treasury.	In circulation.	Amount issued.
Gold certificates	Mar. 3, 1863; July 12, 1882	\$78,350	\$77,015,419
Silver certificates.....	Feb. 28, 1878; Aug. 4, 1886; Mar. 3, 1887.	6,758,196	330,161,308
Certificates of deposit.....	June 8, 1872	40,000	44,935,000
Treasury notes of 1890.....	July 14, 1890	2,315,506	150,755,402
Aggregate of certificates and Treasury notes, offset by cash in the Treasury.		9,192,052	602,867,129

Statement of the public debt and of the cash in the Treasury of the United States for the month of January, 1894—Continued.

RECAPITULATION.

Classification.	January 31, 1894.	December 31, 1893.	Decrease.	Increase.
Interest-bearing debt.....	\$585, 040, 090. 00	\$585, 039, 310. 00	.....	\$780. 00
Debt on which interest has ceased since maturity.....	1, 884, 630. 26	1, 913, 530. 26	\$28, 900. 00	.....
Debt bearing no interest.....	378, 217, 805. 67	376, 653, 076. 87	.....	1, 564, 728. 80
Aggregate of interest and non-interest-bearing debt.....	965, 142, 525. 93	963, 605, 917. 13	28, 900. 00	1, 565, 508. 80
Certificates and Treasury notes offset by an equal amount of cash in the Treasury	612, 059, 181. 00	604, 317, 424. 00	.....	7, 741, 757. 00
Aggregate of debt, including certificates and Treasury notes ...	1, 577, 201, 706. 93	1, 567, 923, 341. 13	28, 900. 00	9, 307, 265. 80

CASH IN THE TREASURY.

Classification.

Gold:			
Coin	\$65, 490, 319. 28		
Bars	77, 175, 275. 09		
			\$142, 665, 594. 37
Silver:			
Dollars	363, 597, 057. 00		
Subsidiary coin.....	15, 932, 847. 12		
Bars	127, 215, 170. 89		
			506, 745, 075. 01
Paper:			
United States notes.....	47, 302, 190. 06		
Treasury notes of 1890.....	2, 315, 506. 00		
Gold certificates.....	78, 350. 00		
Silver certificates.....	6, 758, 196. 00		
Certificates of deposit, act June 8, 1872.....	40, 000. 00		
National-bank notes.....	14, 526, 887. 34		
			71, 021, 129. 40
Other:			
Bonds, interest and coupons paid, awaiting reimbursement.....	190, 596. 46		
Minor coin and fractional currency.....	1, 107, 362. 29		
Deposits in national bank depositaries—			
General account	11, 767, 562. 28		
Disbursing officers' balances.....	3, 622, 833. 88		
			16, 688, 354. 91
Aggregate.....			737, 120, 153. 69

Demand liabilities.

Gold certificates.....	77, 093, 769. 00		
Silver certificates.....	336, 919, 504. 00		
Certificates of deposit, act June 8, 1872.....	44, 975, 000. 00		
Treasury notes of 1890.....	153, 070, 908. 00		
			612, 059, 181. 00
Fund for redemption of uncurrent national-bank notes.....	6, 358, 057. 18		
Outstanding checks and drafts	3, 842, 781. 23		
Disbursing officers' balances.....	24, 675, 007. 21		
Agency accounts, etc	6, 103, 027. 18		
			40, 978, 872. 80
Gold reserve.....	65, 650, 175. 00		
Net cash balance	18, 431, 924. 89		
			84, 082, 099. 89
Aggregate.....			737, 120, 153. 69
Cash balance in the Treasury December 31, 1893.....			90, 375, 555. 42
Cash balance in the the Treasury January 31, 1894.....			84, 082, 099. 89
Decrease during the month.....			6, 293, 455. 53

Statement of the public debt and of the cash in the Treasury of the United States for the month of January, 1894—Continued.

BONDS ISSUED IN AID OF THE CONSTRUCTION OF THE SEVERAL PACIFIC RAILROADS AND INTEREST PAID THEREON BY THE UNITED STATES, AND CONDITION OF PACIFIC RAILROAD SINKING FUND CREATED BY ACT OF MAY 7, 1878.

Name of railway.	Principal outstanding.	Interest accrued and not yet paid.	Interest paid by the United States.	Interest repaid by companies.		Balance of interest paid by the United States.
				By transportation service.	By cash payments: 5 per cent net earnings.	
Central Pacific.....	\$25,885,120.00	\$129,425.60	\$39,760,180.87	\$6,942,573.96	\$658,283.26	\$32,159,323.65
Kansas Pacific.....	6,303,000.00	31,515.00	10,100,223.09	4,219,020.86	.....	5,881,202.23
Union Pacific.....	27,236,512.00	136,182.56	42,116,852.97	14,054,159.88	438,409.58	27,624,283.51
Central Branch, Union Pacific....	1,600,000.00	8,000.00	2,557,808.26	583,768.31	6,926.91	1,967,113.04
Western Pacific ...	1,970,560.00	9,852.80	2,909,701.74	9,367.00	.....	2,900,334.74
Sioux City and Pacific	1,628,320.00	8,141.60	2,490,139.09	211,455.66	.....	2,278,683.43
Total	64,623,512.00	323,117.56	99,934,906.02	26,020,345.67	1,103,619.75	72,810,940.60

Name of railway.	Sinking fund.		
	Bonds.	Cash.	Total.
Central Pacific	\$5,176,500.00	\$158,821.76	\$5,335,321.76
Union Pacific	13,117,500.00	396,876.12	13,514,376.12
Total.....	18,294,000.00	555,697.88	18,849,697.88

The foregoing is a correct statement of the public debt and of the cash in the Treasury at the close of business January 31, 1894.

JOHN G. CARLISLE,
Secretary of the Treasury.

TREASURY DEPARTMENT, *February 1, 1894.*

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1894.

INTEREST-BEARING DEBT.

Title of loan.	Authorizing act.	Rate.	When redeemable.	Interest payable.
Funded loan of 1891....	July 14, 1870, and Jan. 20, 1871.	4½ per cent.	Option, United States.	March, June, September, and December.
Funded loan of 1907....	do	Continued at 2 per cent. 4 per cent.		January, April, July, and October.
Refunding certificates.	Feb. 26, 1879.....	do .....	.....	Do.
Loan of 1904.....	Jan. 14, 1875.....	5 per cent.	Feb. 1, 1904.....	February, May, August, and November.

Title of loan.	Amount issued.	Outstanding Feb. 28, 1894.			Outstanding Mar. 1, 1893.	Outstanding Mar. 1, 1894.
		Registered.	Coupon.	Total.		
Funded loan of 1891.....	(4½s) \$250,000,000	\$25,364,500	.....	\$25,364,500	\$25,364,500	\$25,364,500
Funded loan of 1907.....	740,876,600	489,196,400	\$70,418,850	559,615,250	559,595,900	559,610,250
Refunding certificates.....	40,012,750	.....	.....	61,100	73,860	61,100
Loan of 1904.....	40,831,150	16,923,850	23,902,300	40,831,150	.....	40,831,150
Aggregate of interest-bearing debt, exclusive of United States bonds issued to Pacific railroads, as stated below.....	1,071,720,500	531,489,350	94,321,150	625,872,000	585,034,260	625,872,000

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1894—Continued.

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

Funded loan of 1891, matured Sept. 2, 1891.....	\$559,400.00
Old debt matured at various dates prior to Jan. 1, 1861, and other items of debt matured at various dates subsequent to Jan. 1, 1861.....	1,311,620.26
Aggregate of debt on which interest has ceased since maturity.....	1,871,020.26

DEBT BEARING NO INTEREST.

United States notes.....	Feb. 25, 1862; July 11, 1862; Mar. 3, 1863	\$346,681,016.00
Old demand notes.....	July 17, 1861; Feb. 12, 1862.....	55,647.50
National-bank notes: Redemption account.	July 14, 1890	25,977,549.25
Fractional currency	July 17, 1862; Mar. 3, 1863; June 30, 1864, less \$8,375,934 estimated as lost or destroyed, act of June 21, 1879.	6,898,782.42
Aggregate of debt bearing no interest.....		379,612,995.17

CERTIFICATES AND NOTES ISSUED ON DEPOSITS OF COIN AND LEGAL-TENDER NOTES AND PURCHASES OF SILVER BULLION.

Classification.		In the Treasury.	In circulation.	Amount issued.
Gold certificates.....	Mar. 3, 1863; July 12, 1882.....	\$106,490	\$70,935,729	\$71,042,219
Silver certificates.....	Feb. 28, 1878; Aug. 4, 1886; Mar. 3, 1887.	6,942,257	331,119,247	338,061,504
Certificates of deposit.....	June 8, 1872.....		47,805,000	47,805,000
Treasury notes of 1890.....	July 14, 1890	11,962,418	141,038,766	153,001,184
Aggregate of certificates and Treasury notes, offset by cash in the Treasury.		19,011,165	590,898,742	609,909,907

RECAPITULATION.

Classification.	Feb. 28, 1894.	Jan. 31, 1894.	Decrease.	Increase.
Interest-bearing debt.....	\$625,872,000.00	\$585,040,090.00		\$40,831,910.00
Debt on which interest has ceased since maturity.....	1,871,020.26	1,884,630.26	\$13,610.00	
Debt bearing no interest.....	379,612,995.17	378,217,805.67		1,395,189.50
Aggregate of interest and non-interest bearing debt.....	1,007,356,015.43	965,142,525.93	13,610.00	42,227,099.50
Certificates and Treasury notes offset by an equal amount of cash in the Treasury	609,909,907.00	612,059,181.00	2,149,274.00	
Aggregate of debt, including certificates and Treasury notes...	1,617,265,922.43	1,577,201,706.93	2,162,884.00	42,227,099.50

CASH IN THE TREASURY.

Classification.

Gold:		
Coin	\$107,029,805.00	
Bars	70,432,992.49	
		\$177,462,797.49
Silver:		
Dollars	364,758,231.00	
Subsidiary coin.....	16,594,888.21	
Bars	127,216,956.83	
		508,570,076.04
Paper:		
United States notes.....	53,070,488.36	
Treasury notes of 1890.....	11,962,418.00	
Gold certificates.....	106,490.00	
Silver certificates.....	6,942,257.00	
Certificates of deposit, act June 8, 1872.....		
National-bank notes	12,640,479.04	
		84,722,132.40

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1894—Continued.

Other:		
Bonds, interest and coupons paid, awaiting reimbursement.....	\$168,074.99	
Minor coin and fractional currency.....	1,226,293.89	
Deposits in national-bank depositaries—		
General account	11,362,542.06	
Disbursing officers' balances.....	3,563,917.88	
		\$16,320,828.82
Aggregate.....		787,075,834.75
<i>Demand liabilities.</i>		
Gold certificates.....	71,042,219.00	
Silver certificates.....	338,061,504.00	
Certificates of deposit, act of June 8, 1872.....	47,805,000.00	
Treasury notes of 1890.....	153,001,184.00	
		609,909,907.00
Fund for redemption of uncurrent national-bank notes.....	6,766,973.37	
Outstanding checks and drafts.....	5,510,342.85	
Disbursing officers' balances.....	22,184,478.30	
Agency accounts, etc.....	4,041,768.26	
		38,503,562.78
Gold reserve.....	100,000,000.00	
Not cash balance	38,662,364.97	
		138,662,364.97
Aggregate.....		787,075,834.75
Cash balance in the Treasury January 31, 1894.....		84,082,099.89
Cash balance in the Treasury February 28, 1894.....		138,662,364.97
Increase during the month		54,580,265.08

BONDS ISSUED IN AID OF THE CONSTRUCTION OF THE SEVERAL PACIFIC RAILROADS AND INTEREST PAID THEREON BY THE UNITED STATES, AND CONDITION OF PACIFIC RAILROAD SINKING FUND CREATED BY ACT OF MAY 7, 1878.

Name of railway.	Principal outstanding.	Interest accrued and not yet paid.	Interest paid by the United States.	Interest repaid by companies.		Balance of interest paid by the United States.
				By transportation service.	By cash payments: 5 per cent net earnings.	
Central Pacific	\$25,885,120.00	\$258,851.20	\$39,760,180.87	\$6,997,862.71	\$658,283.26	\$32,104,034.90
Kansas Pacific	6,303,000.00	63,030.00	10,100,223.09	4,246,085.23	.....	5,854,137.86
Union Pacific.....	27,236,512.00	272,365.12	42,116,852.97	14,164,074.42	438,409.58	27,514,368.97
Central Branch, Union Pacific.....	1,600,000.00	16,000.00	2,557,808.26	594,997.76	6,926.91	1,955,883.59
Western Pacific ...	1,970,560.00	19,705.60	2,909,701.74	9,367.00	.....	2,900,334.74
Sioux City and Pacific.....	1,628,320.00	16,283.20	2,490,139.09	214,720.09	.....	2,275,419.00
Total	64,623,512.00	646,235.12	99,934,906.02	26,227,107.21	1,103,619.75	72,604,179.06

Name of railway.	Sinking fund.		
	Bonds.	Cash.	Total.
Central Pacific	\$5,176,500.00	\$219,543.32	\$5,396,043.32
Kansas Pacific .....	.....	.....	.....
Union Pacific.....	13,117,500.00	572,132.64	13,689,632.64
Central Branch, Union Pacific.....	.....	.....	.....
Western Pacific .....	.....	.....	.....
Sioux City and Pacific.....	.....	.....	.....
Total	18,294,000.00	791,675.96	19,085,675.96

The foregoing is a correct statement of the public debt and of the cash in the Treasury at the close of business February 28, 1894.

JOHN G. CARLISLE,
Secretary of the Treasury.

TREASURY DEPARTMENT, *March 1, 1894.*

Statement of the public debt and of the cash in the Treasury of the United States for the month of November, 1894.

INTEREST-BEARING DEBT.

Title of loan.	Authorizing act.	Rate.	When redeemable.	Interest payable.
Funded loan of 1891....	July 14, 1870, and Jan. 20, 1871.	4½ per cent....	Option, United States. July 1, 1907	March, June, September, and December.
Funded loan of 1907....	do	Continued at 2 per cent. 4 per cent....		January, April, July, and October.
Refunding certificates.	Feb. 26, 1879.....	do .....	.....	Do.
Loan of 1904	Jan. 14, 1875.....	5 per cent....	Feb. 1, 1904.....	February, May, August, and November.

Title of loan.	Amount issued.	Outstanding Nov. 30, 1894.			Outstanding Mar. 1, 1893.	Outstanding Dec. 1, 1894.
		Registered.	Coupon.	Total.		
Funded loan of 1891	(4½s) \$250, 000, 000	\$25, 364, 500	.....	\$25, 364, 500	\$25, 364, 500	\$25, 364, 500
Funded loan of 1907	740, 883, 200	489, 651, 200	\$69, 970, 650	559, 621, 850	559, 595, 900	559, 621, 850
Refunding certificates.....	40, 012, 750	.....	.....	56, 680	73, 860	56, 680
Loan of 1904	54, 100, 000	27, 092, 050	27, 007, 950	54, 100, 000	.....	54, 100, 000
Aggregate of interest-bearing debt, exclusive of United States bonds issued to Pacific railroads, as stated below.....	1, 084, 995, 950	542, 107, 750	96, 978, 600	639, 143, 030	585, 034, 260	639, 143, 030

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

Funded loan of 1891, matured Sept. 2, 1891.....	\$523, 550. 00
Old debt matured at various dates prior to Jan. 1, 1861, and other items of debt matured at various dates subsequent to Jan. 1, 1861.....	1, 303, 380. 26
Aggregate debt on which interest has ceased since maturity.....	1, 826, 930. 26

DEBT BEARING NO INTEREST.

United States notes.....	Feb. 25, 1862; July 11, 1862; Mar. 3, 1863	\$346, 681, 016. 00
Old demand notes.....	July 17, 1861; Feb. 12, 1862	54, 847. 50
National-bank notes: Redemption account.	July 14, 1890	29, 487, 564. 00
Fractional currency	July 17, 1862; Mar. 3, 1863; June 30, 1864, less \$8,375,934 estimated as lost or destroyed, act of June 21, 1879.	6, 897, 137. 42
Aggregate of debt bearing no interest		383, 120, 564. 92

CERTIFICATES AND NOTES ISSUED ON DEPOSITS OF COIN AND LEGAL-TENDER NOTES AND PURCHASES OF SILVER BULLION.

Classification.	In the Treasury.	In circulation.	Amount issued.
Gold certificates	Mar. 3, 1863; July 12, 1882	\$751, 370	\$58, 925, 899
Silver certificates.....	Feb. 28, 1878; Aug. 4, 1886; Mar. 3, 1887.	5, 312, 420	332, 317, 084
Certificates of deposit	June 8, 1872	850, 000	57, 135, 000
Treasury notes of 1890.....	July 14, 1890	26, 404, 164	124, 574, 906
Aggregate of certificates and Treasury notes, offset by cash in the Treasury.		33, 317, 954	572, 952, 889
			606, 270, 843

Statement of the public debt and of the cash in the Treasury of the United States for the month of November, 1894—Continued.

RECAPITULATION.

Classification.	Nov. 30, 1894.	Oct. 31, 1894.	Decrease.	Increase.
Interest-bearing debt.....	\$639, 143, 030. 00	\$635, 042, 860. 00	.....	\$4, 100, 170. 00
Debt on which interest has ceased since maturity.....	1, 826, 930. 26	1, 828, 280. 26	\$1, 350. 00	.....
Debt bearing no interest.....	383, 120, 564. 92	381, 796, 476. 42	.....	1, 324, 088. 50
Aggregate of interest and non-interest bearing debt.....	1, 024, 090, 525. 18	1, 018, 667, 616. 68	1, 350. 00	5, 424, 258. 50
Certificates and Treasury notes offset by an equal amount of cash in the Treasury	606, 270, 843. 00	607, 486, 421. 00	1, 215, 578. 00	.....
Aggregate of debt, including certificates and Treasury notes....	1, 630, 361, 368. 18	1, 626, 154, 037. 68	1, 216, 928. 00	5, 424, 258. 50

CASH IN THE TREASURY.

Classification.

Gold:			
Coin	\$118, 045, 401. 95		
Bars	46, 305, 066. 06		\$164, 350, 468. 01
Silver:			
Dollars	364, 726, 543. 00		
Subsidiary coin.....	14, 724, 391. 50		
Bars	125, 351, 523. 00		504, 802, 457. 50
Paper:			
United States notes.....	69, 770, 527. 23		
Treasury notes of 1890.....	26, 404, 164. 00		
Gold certificates	751, 370. 00		
Silver certificates.....	5, 312, 420. 00		
Certificates of deposit, act June 8, 1872.....	850, 000. 00		
National-bank notes	4, 169, 283. 49		107, 257, 764. 72
Other:			
Bonds, interest, and coupons paid, awaiting reimbursement.....	160, 952. 25		
Minor coin and fractional currency.....	1, 169, 923. 67		
Deposits in national-bank depositories—			
General account	11, 345, 843. 67		
Disbursing officers' balances.....	4, 052, 754. 14		16, 729, 473. 73
Aggregate.....			793, 140, 163. 96

Demand liabilities.

Gold certificates.....	59, 677, 269. 00	
Silver certificates.....	237, 629, 504. 00	
Certificates of deposit, act June 8, 1872.....	57, 985, 000. 00	
Treasury notes of 1890.....	150, 979, 070. 00	606, 270, 843. 00
Fund for redemption of uncurrent national-bank notes.....	7, 496, 064. 07	
Outstanding checks and drafts.....	4, 469, 597. 41	
Disbursing officers' balances.....	27, 368, 683. 79	
Agency accounts, etc	3, 027, 369. 79	42, 361, 715. 06
Gold reserve.....	100, 000, 000. 00	
Net cash balance	44, 507, 605. 90	144, 507, 605. 90
Aggregate.....		793, 140, 163. 96
Cash balance in the Treasury Oct. 31, 1894.....		107, 340, 145. 80
Cash balance in the Treasury Nov. 30, 1894.....		144, 507, 605. 90
Increase during the month.....		37, 167, 460. 10

Statement of the public debt and of the cash in the Treasury of the United States for the month of November, 1894—Continued.

BONDS ISSUED IN AID OF THE CONSTRUCTION OF THE SEVERAL PACIFIC RAILROADS AND INTEREST PAID THEREON BY THE UNITED STATES, AND CONDITION OF PACIFIC RAILROAD SINKING FUND CREATED BY ACT OF MAY 7, 1878.

Name of railway.	Principal outstanding.	Interest accrued and not yet paid.	Interest paid by the United States.	Interest repaid by companies.		Balance of interest paid by the United States.
				By transportation service.	By cash payments: 5 per cent net earnings.	
Central Pacific.....	\$25,885,120.00	\$647,128.00	\$40,536,734.47	\$7,199,038.96	\$658,283.26	\$32,679,412.25
Kansas Pacific.....	6,303,000.00	157,575.00	10,289,313.09	4,321,993.78	.....	5,967,319.31
Union Pacific.....	27,236,512.00	680,912.80	42,933,948.33	14,585,534.50	438,409.58	27,910,004.25
Central Branch Union Pacific....	1,600,000.00	40,000.00	2,605,808.26	617,504.41	6,926.91	1,981,376.94
Western Pacific...	1,970,560.00	49,264.00	2,968,818.54	9,367.00	.....	2,959,451.54
Sioux City and Pacific.....	1,628,320.00	40,708.00	2,538,988.69	225,212.03	.....	2,313,776.66
Total	64,623,512.00	1,615,587.80	101,873,611.38	26,958,650.68	1,103,619.75	73,811,340.95

Name of railway.	Sinking fund.		
	Bonds.	Cash.	Total.
Central Pacific.....	\$5,320,000.00	\$377,205.57	\$5,707,205.57
Union Pacific.....	13,630,250.00	680,906.78	14,311,156.78
Total	18,960,250.00	1,058,112.35	20,018,362.35

The foregoing is a correct statement of the public debt and of the cash in the Treasury at the close of business November 30, 1894.

JOHN G. CARLISLE,
Secretary of the Treasury.

TREASURY DEPARTMENT, December 1, 1894.

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1895.

INTEREST-BEARING DEBT.

Title of loan.	Authorizing act.	Rate.	When redeemable.	Interest payable.
Funded loan of 1891 ...	July 14, 1870, and Jan. 20, 1871.	4½ per cent....	Option, United States.	March, June, September, and December.
Funded loan of 1907 ...	do	Continued at 2 per cent. 4 per cent....		January, April, July, and October.
Refunding certificates.	Feb. 26, 1879.....	do	July 1, 1907	Do.
Loan of 1904	Jan. 14, 1875	5 per cent....	Feb. 1, 1904.....	February, May, August, and November.

Title of loan.	Amount issued.	Outstanding Feb. 28, 1895.			Outstanding Mar. 1, 1893.	Outstanding Mar. 1, 1895.
		Registered.	Coupon.	Total.		
Funded loan of 1891	(4½s)\$250,000,000	\$25,364,500	.....	\$25,364,500	\$25,364,500	\$25,364,500
Funded loan of 1907	740,885,650	489,799,200	\$69,825,100	559,624,300	559,595,900	559,624,300
Refunding certificates.....	40,012,750	.....	.....	55,060	73,860	55,060
Loan of 1904	100,000,000	47,892,550	52,107,450	100,000,000	.....	100,000,000
Aggregate of interest-bearing debt, exclusive of United States bonds issued to Pacific railroads, as stated below.....	1,130,898,400	563,056,250	121,932,550	685,043,860	585,034,260	685,043,860

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1895—Continued.

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

Funded loan of 1891, matured Sept. 2, 1891.....	\$485,300.00
Old debt matured at various dates prior to Jan. 1, 1861, and other items of debt matured at various dates subsequent to Jan. 1, 1861.....	1,294,000.26
Aggregate of debt on which interest has ceased since maturity.....	1,779,300.26

DEBT BEARING NO INTEREST.

United States notes.....	Feb. 25, 1862; July 11, 1862; Mar. 3, 1863.....	\$346,681,016.00
Old demand notes.....	July 17, 1861; Feb. 12, 1862.....	54,847.50
National-bank notes: Redemption account.....	July 14, 1890.....	28,155,471.00
Fractional currency.....	July 17, 1862; Mar. 3, 1863; June 30, 1864, less \$8,375,934 estimated as lost or destroyed, act of June 21, 1879.	6,896,032.42
Aggregate of debt bearing no interest.....		381,787,366.92

CERTIFICATES AND NOTES ISSUED ON DEPOSITS OF COIN AND LEGAL-TENDER NOTES AND PURCHASES OF SILVER BULLION.

Classification.		In the Treasury.	In circulation.	Amount issued.
Gold certificates.....	Mar. 3, 1863; July 12, 1882.....	\$80,100	\$51,507,769	\$51,587,869
Silver certificates.....	Feb. 28, 1878; Aug. 4, 1886; Mar. 3, 1887.	7,291,089	325,816,415	333,107,504
Certificates of deposit.....	June 8, 1872.....	430,000	36,925,000	37,355,000
Treasury notes of 1890.....	July 14, 1890.....	36,455,457	114,249,700	150,705,157
Aggregate of certificates and Treasury notes offset by cash in the Treasury.		44,256,646	528,498,884	572,755,530

RECAPITULATION.

Classification.	February 28, 1895.	January 31, 1895.	Decrease.	Increase.
Interest-bearing debt.....	\$685,043,860.00	\$684,323,710.00	.....	\$720,150.00
Debt on which interest has ceased since maturity.....	1,779,300.26	1,792,690.26	\$13,390.00	.....
Debt bearing no interest.....	381,787,366.92	382,933,172.92	1,145,806.00	.....
Aggregate of interest and non-interest bearing debt.....	1,068,610,527.18	1,069,049,573.18	1,159,196.00	720,150.00
Certificates and Treasury notes offset by an equal amount of cash in the Treasury.....	572,755,530.00	578,777,914.00	6,022,384.00	.....
Aggregate of debt, including certificates and Treasury notes...	1,641,366,057.18	1,647,827,487.18	7,181,580.00	720,150.00

CASH IN THE TREASURY.

Classification.

Gold:	
Coin.....	\$94,065,558.32
Bars.....	44,527,721.82
	\$138,593,280.14
Silver:	
Dollars.....	368,177,389.00
Subsidiary coin.....	16,131,144.55
Bars.....	124,551,374.21
	508,859,907.76
Paper:	
United States notes.....	84,692,758.05
Treasury notes of 1890.....	36,455,457.00
Gold certificates.....	80,100.00
Silver certificates.....	7,291,089.00
Certificates of deposit, act of June 8, 1872.....	430,000.00
National-bank notes.....	5,154,292.61
	134,103,696.66

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1895—Continued.

Other:		
Bonds, interest and coupons paid, awaiting reimbursement.....	\$65,787.52	
Minor coin and fractional currency.....	1,245,347.25	
Deposits in national-bank depositories—		
General account	11,880,738.65	
Disbursing officers' balances	3,342,143.87	\$16,534,017.29
Aggregate		798,090,901.85
<i>Demand liabilities.</i>		
Gold certificates.....	51,587,869.00	
Silver certificates.....	333,107,504.00	
Certificates of deposit, act June 8, 1872.....	37,355,000.00	
Treasury notes of 1890.....	150,705,157.00	572,755,530.00
Fund for redemption of uncurrent national-bank notes.....	7,503,164.91	
Outstanding checks and drafts.....	4,083,806.59	
Disbursing officers' balances.....	31,232,711.12	
Agency accounts, etc.....	4,318,103.11	47,137,785.73
Gold reserve.....	87,085,511.00	
Net cash balance.....	91,112,075.12	178,197,586.12
Aggregate.....		798,090,901.85
Cash balance in the Treasury January 31, 1895.....		144,603,304.19
Cash balance in the Treasury February 28, 1895.....		178,197,586.12
Increase during the month		33,594,281.93

BONDS ISSUED IN AID OF THE CONSTRUCTION OF THE SEVERAL PACIFIC RAILROADS AND INTEREST PAID THEREON BY THE UNITED STATES, AND CONDITION OF PACIFIC RAILROAD SINKING FUND CREATED BY ACT OF MAY 7, 1878.

Name of railway.	Principal outstanding.	Interest accrued and not yet paid.	Interest paid by the United States.	Interest repaid by companies.		Balance of interest paid by the United States.
				By transportation service.	By cash payments: 5 per cent net earnings.	
Central Pacific.....	\$25,885,120.00	\$258,851.20	\$41,318,952.13	\$7,272,052.97	\$658,283.26	\$33,388,615.90
Kansas Pacific.....	6,303,000.00	63,030.00	10,478,403.09	4,384,340.56	.....	6,094,062.53
Union Pacific.....	27,236,512.00	272,365.12	43,751,043.69	14,716,911.36	438,409.58	28,595,722.75
Central Branch, Union Pacific....	1,600,000.00	16,000.00	2,653,808.26	625,779.03	6,926.91	2,021,102.32
Western Pacific...	1,970,560.00	19,705.60	3,027,935.34	9,367.00	.....	3,018,568.34
Sioux City and Pacific	1,628,320.00	16,283.20	2,587,838.29	228,504.67	.....	2,359,333.62
Total	64,623,512.00	646,235.12	103,817,980.80	27,236,955.59	1,103,619.75	75,477,405.46

Name of railway.	Sinking fund.		
	Bonds.	Cash.	Total.
Central Pacific	\$5,561,000.00	\$341,415.51	\$5,902,414.51
Union Pacific.....	14,335,250.00	418,476.42	14,753,726.42
Total.....	19,896,250.00	759,891.93	20,656,141.93

The foregoing is a correct statement of the public debt and of the cash in the Treasury at the close of business February 28, 1895.

JOHN G. CARLISLE,
Secretary of the Treasury.

TREASURY DEPARTMENT, *March 1, 1895.*

Statement of the public debt and of the cash in the Treasury of the United States for the month of January, 1896.

INTEREST-BEARING DEBT.

Title of loan.	Authorizing act.	Rate.	When redeemable.	Interest payable.
Funded loan of 1891....	July 14, 1870, and Jan. 20, 1871.	4½ per cent....	Option, United States.	March, June, September, and December.
Funded loan of 1907....	do	Continued at 2 per cent.		
Refunding certificates.	do	4 per cent.....	July 1, 1907.....	January, April, July, and October.
Loan of 1904.....	Feb. 26, 1879.....	do .....	.....	Do.
Loan of 1925.....	Jan. 14, 1875.....	5 per cent.....	Feb. 1, 1904.....	February, May, August, and November.
	do	4 per cent.....	Feb. 1, 1925.....	Do.

Title of loan.	Amount issued.	Outstanding Jan. 31, 1896.			Outstanding Mar. 1, 1893.	Outstanding Feb. 1, 1896.
		Registered.	Coupon.	Total.		
Funded loan of 1891.....	(4½s) \$250,000,000	\$25,364,500		\$25,364,500	\$25,364,500	\$25,364,500
Funded loan of 1907.....	740,895,350	490,228,100	\$69,405,900	559,634,000	559,595,900	559,634,000
Refunding certificates.....	40,012,750			48,920	73,860	48,920
Loan of 1904.....	100,000,000	57,677,700	42,322,300	100,000,000		100,000,000
Loan of 1925.....	62,315,400	36,273,000	26,042,400	62,315,400		62,315,400
Aggregate of interest-bearing debt, exclusive of United States bonds issued to Pacific Railroads, as stated below.....	1,193,223,500	609,543,300	137,770,600	747,362,820	585,034,260	747,362,820

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

Funded loan of 1891, matured Sept. 2, 1891.....	\$409,000.00
Old debt matured at various dates prior to Jan. 1, 1861, and other items of debt matured at various dates subsequent to Jan. 1, 1861.....	1,264,190.26
Aggregate of debt on which interest has ceased since maturity.....	1,673,190.26

DEBT BEARING NO INTEREST.

United States notes.....	Feb. 25, 1862; July 11, 1862; Mar. 3, 1863.....	\$346,681,016.00
Old demand notes.....	July 17, 1861; Feb. 12, 1862	54,847.50
National-bank notes: Redemption account.	July 14, 1890	21,973,653.00
Fractional currency.....	July 17, 1862; Mar. 3, 1863; June 30, 1864, less \$8,375,934 estimated as lost or destroyed, act of June 21, 1879.	6,892,489.14
Aggregate of debt bearing no interest		375,602,005.64

CERTIFICATES AND NOTES ISSUED ON DEPOSITS OF COIN AND LEGAL-TENDER NOTES AND PURCHASES OF SILVER BULLION.

Classification.	In the Treasury.	In circulation.	Amount issued.
Gold certificates.....	Mar. 3, 1863; July 12, 1882	\$131,140	\$49,847,849
Silver certificates.....	Feb. 28, 1878; Aug. 4, 1886; Mar. 3, 1887.	14,380,165	331,614,339
Certificates of deposit.....	June 8, 1872	320,000	28,925,000
Treasury notes of 1890.....	July 14, 1890.....	27,103,095	110,221,185
Aggregate of certificates and Treasury notes offset by cash in the Treasury.	41,934,400	520,608,373	562,542,773

Statement of the public debt and of the cash in the Treasury of the United States for the month of January, 1896—Continued.

RECAPITULATION.

Classification.	January 31, 1896.	December 31, 1895.	Decrease.	Increase.
Interest-bearing debt.....	\$747,362,820.00	\$747,361,960.00	.....	\$860.00
Debt on which interest has ceased since maturity.....	1,673,190.26	1,674,519.26	\$1,320.00	.....
Debt bearing no interest.....	375,602,005.64	376,288,992.14	686,986.50	.....
Aggregate of interest and non-interest bearing debt.....	1,124,638,015.90	1,125,325,462.40	688,306.50	860.00
Certificates and Treasury notes offset by an equal amount of cash in the Treasury.....	562,542,773.00	568,023,673.00	5,480,900.00	.....
Aggregate of debt, including certificates and Treasury notes....	1,687,180,788.90	1,693,349,135.40	6,169,206.50	860.00

CASH IN THE TREASURY.

Classification.

Gold:			
Coin.....	\$84,225,418.64		
Bars.....	15,467,937.93		
			\$99,693,356.57
Silver:			
Dollars.....	366,659,953.00		
Subsidiary coin.....	14,186,736.99		
Bars.....	124,575,128.69		
			505,421,818.68
Paper:			
United States notes.....	100,935,176.00		
Treasury notes of 1890.....	27,103,095.00		
Gold certificates.....	131,140.00		
Silver certificates.....	14,380,165.00		
Certificates of deposit, act June 8, 1872.....	320,000.00		
National-bank notes.....	10,409,649.58		
			153,279,225.58
Other:			
Bonds, interest and coupons paid, awaiting reimbursement.....	273,750.02		
Minor coin and fractional currency.....	1,081,771.32		
Deposits in national-bank depositaries—			
General account.....	10,815,371.00		
Disbursing officers' balances.....	3,988,432.55		
			16,159,324.89
Aggregate.....			774,553,725.72

Demand liabilities.

Gold certificates.....	49,978,989.00		
Silver certificates.....	345,994,504.00		
Certificates of deposit, act June 8, 1872.....	29,245,000.00		
Treasury notes of 1890.....	137,324,280.00		
			562,542,773.00
Fund for redemption of uncurrent national-bank notes.....	7,598,024.18		
Outstanding checks and drafts.....	2,683,827.41		
Disbursing officers' balances.....	25,180,028.18		
Agency accounts, etc.....	4,957,294.68		
			40,419,174.45
Gold reserve.....	49,845,507.00		
Net cash balance.....	121,746,271.27		
			171,591,778.27
Aggregate.....			774,553,725.72
Cash balance in the Treasury December 31, 1895.....			177,027,200.92
Cash balance in the Treasury January 31, 1896.....			171,591,778.27
Decrease during the month.....			6,435,422.65

Statement of the public debt and of the cash in the Treasury of the United States for the month of January, 1896—Continued.

BONDS ISSUED IN AID OF THE CONSTRUCTION OF THE SEVERAL PACIFIC RAILROADS AND INTEREST PAID THEREON BY THE UNITED STATES, AND CONDITION OF PACIFIC RAILROAD SINKING FUND CREATED BY ACT OF MAY 7, 1878.

Name of railway.	Principal outstanding.	Interest accrued and not yet paid.	Interest paid by the United States.	Interest repaid by companies.		Balance of interest paid by the United States.
				By transportation service.	By cash payments: 5 per cent net earnings.	
Central Pacific.....	\$25,885,120.00	\$109,615.60	\$42,730,499.64	\$7,506,065.29	\$658,283.26	\$34,566,151.09
Kansas Pacific.....	6,303,000.00	21,115.00	10,850,323.44	4,433,673.40	.....	6,416,650.04
Union Pacific.....	27,236,512.00	136,182.56	45,385,234.41	15,138,427.66	438,409.58	29,808,397.17
Central Branch, Union Pacific....	1,600,000.00	4,800.00	2,749,808.26	631,892.39	6,926.91	2,110,988.96
Western Pacific...	1,970,560.00	9,852.80	3,146,168.94	9,367.00	.....	3,136,801.94
Siox City and Pacific.....	1,628,320.00	8,141.60	2,685,537.49	238,793.95	.....	2,446,743.54
Total	64,623,512.00	289,707.56	107,547,572.18	27,958,219.69	1,103,619.75	78,485,732.74

Name of railway.	Sinking fund.		
	Bonds.	Cash.	Total.
Central Pacific	\$5,523,000.00	\$739,102.16	\$6,262,102.16
Union Pacific.....	14,156,250.00	1,191,679.82	15,347,929.82
Total.....	19,679,250.00	1,930,781.98	21,610,031.98

The foregoing is a correct statement of the public debt and of the cash in the Treasury at the close of business January 31, 1896.

JOHN G. CARLISLE,
Secretary of the Treasury.

TREASURY DEPARTMENT, *February 1, 1896.*

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1896.

INTEREST-BEARING DEBT.

Title of loan.	Authorizing act.	Rate.	When redeemable.	Interest payable.
Funded loan of 1891...	July 14, 1870, and Jan. 20, 1871 ...	4½ per cent. Continued at 2 per cent.	} Option, United States. July 1, 1907	March, June, September, and December.
Funded loan in 1907....	do	4 per cent.		January, April, June, and October.
Refunding certificates.	Feb. 26, 1879	do .....	.....	Do.
Loan of 1904.....	Jan. 14, 1875.....	5 per cent.	Feb. 1, 1904	February, May, August, and November.
Loan of 1925.....	do	4 per cent.	Feb. 1, 1925	Do.

Title of loan.	Amount issued.	Outstanding Feb. 29, 1896.			Outstanding Mar. 1, 1893.	Outstanding Mar. 1, 1896.
		Registered.	Coupon.	Total.		
Funded loan of 1891.....	\$250,000,000	\$25,364,500	.....	\$25,364,500	\$25,364,500	\$25,364,500
Funded loan of 1907.....	740,895,650	490,256,150	\$69,378,150	559,634,300	559,595,900	559,634,300
Refunding certificates.....	40,012,750	.....	.....	48,720	73,860	48,720
Loan of 1904.....	100,000,000	58,269,200	41,730,800	100,000,000	.....	100,000,000
Loan of 1925.....	137,567,650	64,470,000	73,097,650	137,567,650	.....	137,567,650
Aggregate of interest-bearing debt, exclusive of United States bonds issued to Pacific railroads, as stated below	1,268,476,050	638,359,850	184,206,600	822,615,170	585,034,260	822,615,170

Statement of the public debt and of the cash in the Treasury of the United States for the month of February, 1896—Continued.

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY.

Funded loan of 1891, matured Sept. 2, 1891.....	\$408, 200. 00
Old debt matured at various dates prior to Jan. 1, 1861, and other items of debt matured at various dates subsequent to Jan. 1, 1861.....	1, 259, 430. 26
Aggregate of debt on which interest has ceased since maturity.....	1, 667, 630. 26

DEBT BEARING NO INTEREST.

United States notes.....	Feb. 25, 1862; July 11, 1862; Mar. 3, 1863.....	\$346, 681, 016. 00
Old demand notes.....	July 17, 1861; Feb. 12, 1862.....	54, 847. 50
National bank notes: Redemption account.	July 14, 1890.....	21, 863, 326. 50
Fractional currency.....	July 17, 1862; Mar. 3, 1863; June 30, 1864, less \$8,375,934 estimated as lost or destroyed, act of June 21, 1879.	6, 892, 489. 14
Aggregate of debt bearing no interest.....		375, 491, 679. 14

CERTIFICATES AND NOTES ISSUED ON DEPOSITS OF COIN AND LEGAL-TENDER NOTES AND PURCHASES OF SILVER BULLION.

Classification.		In the Treasury.	In circulation.	Amount issued.
Gold certificates.....	Mar. 3, 1863; July 12, 1882.....	\$651, 470	\$43, 733, 019	\$44, 384, 489
Silver certificates.....	Feb. 28, 1878; Aug. 4, 1886; Mar. 3, 1887.	11, 831, 561	332, 545, 943	344, 377, 504
Certificates of deposit.....	June 8, 1872.....	245, 000	32, 825, 000	33, 070, 000
Treasury notes of 1890.....	July 14, 1890.....	30, 644, 730	106, 074, 550	136, 719, 280
Aggregate of certificates and Treasury notes offset by cash in the Treasury.		43, 372, 761	515, 178, 512	558, 551, 273

RECAPITULATION.

Classification.	Feb. 29, 1896.	Jan. 31, 1896.	Decrease.	Increase.
Interest-bearing debt.....	\$822, 615, 170. 00	\$747, 362, 820. 00	.....	\$75, 252, 350. 00
Debt on which interest has ceased since maturity.....	1, 667, 630. 26	1, 673, 190. 26	\$5, 560. 00	.....
Debt bearing no interest.....	375, 491, 679. 14	375, 602, 005. 64	110, 326. 50	.....
Aggregate of interest and non-interest bearing debt.....	1, 199, 774, 479. 40	1, 124, 638, 015. 90	115, 886. 50	75, 252, 350. 00
Certificates and Treasury notes offset by an equal amount of cash in the Treasury.....	558, 551, 273. 00	562, 542, 773. 00	3, 991, 500. 00	.....
Aggregate of debt, including certificates and Treasury notes.....	1, 758, 325, 752. 40	1, 687, 180, 788. 00	4, 107, 386. 50	75, 252, 350. 00

CASH IN THE TREASURY.

Classification.

Gold:	
Coin.....	\$140, 874, 514. 61
Bars.....	26, 821, 483. 85
	\$167, 695, 998. 46
Silver:	
Dollars.....	369, 273, 688. 00
Subsidiary coin.....	14, 820, 486. 28
Bars.....	123, 171, 285. 73
	507, 265, 460. 01
Paper:	
United States notes.....	106, 222, 443. 00
Treasury notes of 1890.....	30, 644, 730. 00
Gold certificates.....	651, 470. 00
Silver certificates.....	11, 831, 561. 00
Certificates of deposit, act June 8, 1872.....	245, 000. 00
National-bank notes.....	8, 630, 537. 88
	158, 225, 741. 88

Statement of the public debt and of the cash in the Treasury of the United States for the month of February 1896—Continued.

Other:	
Bonds, interest and coupons paid, awaiting reimbursement.....	\$66,329.49
Minor coin and fractional currency.....	1,163,744.24
Deposits in national bank depositaries—	
General account.....	20,643,836.05
Disbursing officers' balances.....	3,750,720.78
	<u>\$25,624,630.56</u>
Aggregate.....	<u>* 858,811,830.91</u>

Demand liabilities.

Gold certificates.....	44,384,489.00	
Silver certificates.....	344,377,504.00	
Certificates of deposit, act June 8, 1872.....	33,070,000.00	
Treasury notes of 1890.....	136,719,280.00	
	<u>558,551,273.00</u>	
Fund for redemption of uncurrent national-bank notes.....	7,481,930.58	
Outstanding checks and drafts.....	2,848,525.21	
Disbursing officer's balances.....	23,104,943.94	
Agency accounts, etc.....	4,118,151.53	
	<u>37,553,551.26</u>	
Gold reserve.....	100,000,000.00	
Net cash balance.....	162,707,006.65	
	<u>262,707,006.65</u>	
Aggregate.....	<u>858,811,830.91</u>	
Cash balance in the Treasury Jan. 31, 1896.....	171,591,778.27	
Cash balance in the Treasury Feb. 29, 1896.....	262,707,006.65	
Increase during the month.....	<u>91,115,228.38</u>	

BONDS ISSUED IN AID OF THE CONSTRUCTION OF THE SEVERAL PACIFIC RAILROADS AND INTEREST PAID THEREON BY THE UNITED STATES, AND CONDITION OF PACIFIC RAILROAD SINKING FUND CREATED BY ACT OF MAY 7, 1878.

Name of railway.	Principal outstanding.	Interest accrued and not yet paid.	Interest paid by the United States.	Interest repaid by companies.		Balance of interest paid by the United States.
				By transportation service.	By cash payments: (5 per cent net earnings.)	
Central Pacific.....	\$25,885,120.00	\$219,231.20	\$42,730,499.64	\$7,581,151.05	\$658,283.26	\$34,491,065.33
Kansas Pacific.....	6,303,000.00	42,230.00	10,850,323.44	4,448,695.85	.....	6,401,627.59
Union Pacific.....	27,236,512.00	229,165.12	45,407,248.66	15,259,783.90	438,409.58	29,709,055.18
Central Branch Union Pacific....	1,600,000.00	9,600.00	2,749,808.26	633,922.74	6,926.91	2,108,958.61
Western Pacific....	1,970,560.00	19,705.60	3,146,168.94	9,367.00	.....	3,136,801.94
Sioux City and Pacific.....	1,628,320.00	16,283.20	2,685,537.49	242,312.22	.....	2,443,225.27
Total.....	64,623,512.00	536,215.12	107,569,586.43	28,175,232.76	1,103,619.75	78,290,733.92

Name of railway.	Sinking fund.		
	Bonds.	Cash.	Total.
Central Pacific.....	\$5,478,000.00	\$1,010,813.84	\$6,488,813.84
Union Pacific.....	14,146,250.00	1,668,756.20	15,815,006.20
Total.....	19,624,250.00	2,679,570.04	22,303,820.04

The foregoing is a correct statement of the public debt and of the cash in the Treasury at the close of business February 29, 1896.

JOHN G. CARLISLE,
Secretary of the Treasury.

TREASURY DEPARTMENT, *March 2, 1896.*

Assets and liabilities of the Treasury in excess of certificates and Treasury notes outstanding.

	Nov. 13, 1894.	Nov. 24, 1894.	Jan. 17, 1894.	Feb. 3, 1894.	Feb. 8, 1895.	Jan. 6, 1896.	Feb. 8, 1896.
<i>Assets.</i>							
Gold coin	\$17,532,199	\$11,660,051	\$69,757,824	\$66,459,229	\$42,045,333	\$32,623,389	\$25,597,240
Gold bullion	44,419,664	46,009,650	-----	-----	-----	28,628,321	18,966,253
Silver dollars	7,457,127	6,454,074	6,911,843	7,817,715	14,678,301	15,192,813	23,195,561
Silver bullion	648,052	609,964	457,211	459,360	562,480	567,923	575,365
Fractional silver coin	15,090,118	14,837,504	12,391,257	16,091,491	15,715,502	13,004,011	14,479,173
United States notes	11,045,106	12,549,640	6,211,923	3,324,552	50,990,103	80,003,167	71,618,072
Treasury notes of 1890	28,615,999	26,774,706	2,464,585	4,282,800	34,722,027	22,348,932	27,361,736
National bank notes	4,913,904	3,870,511	14,674,346	14,735,661	5,800,983	7,915,798	10,476,455
Minor coin	1,248,672	1,219,408	1,023,719	1,123,589	1,218,893	977,847	1,113,724
Deposits in banks	15,148,464	14,819,966	15,395,986	15,665,254	14,872,398	14,470,199	14,767,372
Total cash assets	146,119,305	138,805,474	129,288,694	129,959,651	180,606,020	215,732,400	208,150,951
<i>Liabilities.</i>							
Bank note 5 per cent fund	7,563,227	7,158,162	7,251,813	6,895,502	6,601,002	8,160,811	6,908,090
Outstanding checks and drafts	5,490,769	5,437,767	6,067,211	5,802,226	5,345,820	6,165,474	4,973,496
Disbursing officers' balances	25,852,399	23,630,115	27,357,368	28,131,845	22,662,480	23,870,234	25,907,299
P. O. Department account	3,164,555	2,453,265	2,625,548	4,108,261	3,386,928	4,114,210	3,320,405
Undistributed assets of failed N. B.	1,224,735	1,226,670	1,884,431	1,961,036	1,500,153	1,591,005	1,246,205
District of Columbia account	83,183	122,548	140,921	358,702	381,355	319,586	322,573
Total agency account	43,378,868	40,028,527	45,327,292	47,257,572	39,877,738	44,221,320	42,678,068
Gold reserve	61,951,863	57,669,701	69,757,824	66,459,229	42,045,333	61,251,710	44,563,493
Net balance	40,788,574	41,107,246	14,203,578	16,242,850	98,682,949	110,259,370	120,909,390
Total liabilities	146,119,305	138,805,474	129,288,694	129,959,651	180,606,020	215,732,400	208,150,951
Bonds and interest paid	961,824	1,082,008	7,076,260	354,858	1,555,519	6,614,762	5,857,407

[Circular. 1894. Department No. 6. Division of loans and currency.]

INVITING PROPOSALS FOR FIVE PER CENT BONDS.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 17, 1894.

By virtue of the authority contained in the act entitled "An act to provide for the resumption of specie payments," approved January 14, 1875, the Secretary of the Treasury hereby offers for public subscription an issue of bonds of the United States to the amount of \$50,000,000, in either registered or coupon form, in denominations of \$50 and upward, redeemable in coin at the pleasure of the Government after ten years from the date of their issue, and bearing interest, payable quarterly in coin, at the rate of 5 per cent per annum.

Proposals for the whole or any part of these bonds will be received at the Treasury Department, office of the Secretary, until 12 o'clock noon on the 1st day of February, 1894. Proposals should state the amount of bonds desired, whether registered or coupon, and the premium which the subscriber proposes to pay, the place where it is desired that the bonds shall be delivered, and the office, whether that of the Treasurer of the United States or an assistant treasurer of the United States, where it will be most convenient for the subscriber to deposit the amount of his subscription. Failure to specify the above particulars may cause the proposal to be rejected.

As soon as practicable, after the 1st day of February, 1894, the allotment of bonds will be made to the highest bidders therefor, but no proposal will be considered at a lower price than 117.223, which is the equivalent of a 3 per cent bond at par, and the right to reject any and all proposals is hereby expressly reserved. In case the bids entitled to allotment exceed the bonds to be issued, they will be allotted pro rata.

Notices of the date of delivery of the bonds will be sent to the subscribers to whom allotments are made as soon as practicable, and within ten days from the date of such notice subscriptions must be paid in United States gold coin to the Treasurer or such assistant treasurer of the United States as the subscriber has designated, and if not so paid the proposal may be rejected.

The bonds will be dated February 1, 1894, and when payment is made therefor, as above, accrued interest on both principal and premium from February 1, 1894, to date of payment, at the rate of interest realized to the subscriber on his investment, will be added.

All proposals should be addressed to the Secretary of the Treasury, Washington, D. C., and should be distinctly marked "Proposals for subscriptions to five per cent bonds."

J. G. CARLISLE, *Secretary.*

[Circular. 1894. Department No. 9. Division of Loans and Currency.]

SUBSCRIPTIONS TO 5 PER CENT BONDS.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 23, 1894.

In subscribing for the new 5 per cent bonds under the circular of January 17, 1894, the annexed form should be followed. The blank may be detached, filled up, and addressed to the Secretary of the Treasury. The subscriber should state plainly the amount of bonds desired, the price which he proposes to pay, and the place where the bonds should be delivered, which may be the subscriber's home or any other more convenient place. He should at the same time state whether he desires to deposit the amount of his subscription at the Treasury Department, in the city of Washington, or at one of the following subtreasuries, viz: New York, Boston, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, New Orleans, or San Francisco.

The bonds will be issued in the following denominations, viz: Coupon bonds, \$50, \$100, and \$1,000; registered bonds, \$50, \$100, \$1,000, and \$10,000.

Subscribers should, if practicable, state in their proposals the denominations of the bonds desired and whether they should be coupon or registered; but if at the time of offering the subscription the kind and denomination of the bonds desired can not be stated, the subscriber may defer giving that information until he is notified that his proposal is accepted.

Gold certificates will be received the same as gold coin in payment of subscriptions, but no payment should be made by any subscriber until he has been notified by the Secretary that his subscription has been accepted.

The subjoined table, showing the prices at which the new 5 per cent bonds should be sold in order to realize to the investor certain rates of interest from 3 per cent down to $2\frac{1}{2}$ per cent, with one day's interest on \$100,000, is published for the information of persons desiring to subscribe for said bonds.

Additional copies of the annexed form of proposal may be had upon application to the Secretary of the Treasury.

J. G. CARLISLE, *Secretary of the Treasury.*

Rate realized.	Price.	One day's interest on \$100,000.
3 per cent.....	117.223	\$8.21918
$2\frac{11}{16}$ per cent.....	117.815	8.04794
$2\frac{7}{8}$ per cent.....	118.411	7.87671
$2\frac{1}{2}$ per cent.....	119.010	7.70548
$2\frac{1}{4}$ per cent.....	119.613	7.53425
$2\frac{1}{8}$ per cent.....	120.219	7.36301
$2\frac{3}{16}$ per cent.....	120.829	7.19178
$2\frac{1}{8}$ per cent.....	121.442	7.02055
$2\frac{1}{2}$ per cent.....	122.059	6.84931

I hereby subscribe, under the terms of your circular of January 17, 1894, for United States 5 per cent ten-year bonds described in said circular, of the face value of _____ dollars, and I agree to pay therefor at the rate of _____ per \$100. I further agree upon due notice of the acceptance of this subscription, to deposit the amount thereof in gold coin or gold certificates with the United States assistant treasurer at _____.

I desire (registered or coupon) bonds, in denominations as follows:
_____, and I wish them to be delivered to me at _____.

The SECRETARY OF THE TREASURY.

3 BOND

[Senate, Ex. Doc. No. 38, Fifty-third Congress, second session.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., February 7, 1894.

SIR: In response to Senate resolution dated the 2d instant, as follows:

"Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate how many offers have been presented for the purchase of bonds proposed to be issued and sold in his notice under date January 17, 1894, giving the names and places of business of the persons and firms and companies or corporations making such offers, for what amount, and at what prices the offers were made; also the names and places of business of the persons to whom the said bonds have been sold, in what amount to each, and at what prices; also when the offers of each and all of the bidders were received at the Department."

I have the honor to transmit herewith a statement showing the names of subscribers offering 117.223 for the bonds whose subscriptions were accepted, their addresses, the respective dates of the receipt of their subscriptions, the amount thereof, and the amount of bonds allotted to each subscriber at that price. I also inclose a statement showing in the same way the offers to purchase at a higher price than 117.223 which were received and accepted, and a list of offers which were not considered. Among the latter the offers, amounting in the aggregate to \$50,000,000, received from C. L. Riker were not considered because that gentleman's financial standing, as stated to this Department, did not warrant the belief that he would be able to complete his subscription; and the offer of Clarence T. Walker for \$3,000,000 was laid aside because he gave only a temporary address and an effort made by the Department to communicate with him with a view of obtaining his permanent address was unsuccessful. The bid of the Central Trust Company of New York was conditional. The remaining offers, which were not considered, constitute all that were received after 12 o'clock noon on the 1st instant. Proposals received later than the 1st instant are not included in any of these statements.

Respectfully, yours,

J. G. CARLISLE, *Secretary.*

The PRESIDENT OF THE SENATE.

Subscriptions to 5 per cent loan of 1904.—Price, 117.223.

Date of receipt.	Subscriber.	Residence.	Amount.	Less 5.331 per cent.	Allotment.
1894.					
Jan. 19	B. E. Tilden	Chicago, Ill.....	\$12,000	\$639	\$11,350
19	Townsend, Desmond & Voorhis.	New York.....	1,000	53	950
19	Fanny Nolan.....	do	4,000	213	3,800
20	D. B. Freeman.....	Saginaw, East Side, Mich.	10,000	533	9,450
18	John A. Jones.....	Washington, D. C.....	300	16	300
31	American Exchange National Bank.	New York.....	2,500,000	133,275	2,366,700
22	Stanley & Hume	Wichita, Kans.....	10,000	533	9,450
20	Henry G. Trevor.....	New York.....	50,000	2,665	47,350
20	A. H. Ainsworth.....	Larned, Kans.....	1,000	53	950
23	Independence National Bank.	Philadelphia, Pa.....	200,000	10,662	189,350
23	Wm. Wagner.....	do	1,000	53	950
24	Evening Post Publishing Co.	New York.....	25,000	1,333	23,650
25	Irwin H. Bright.....	Tamaqua, Pa	200	11	200
27	Traders' National Bank..	Lowell, Mass	10,000	533	9,450
25	Jas. F. Russell	Washington, D. C.....	1,500	80	1,400
27	Bay State Trust Co	Boston, Mass	100,000	5,331	94,650
27	Virginia Erwin	Painted Post, N. Y.....	5,000	266	4,750
26	H. C. White	North Bennington, Vt....	5,000	266	4,750
29	Merchants' National Bank	San Diego, Cal.....	50,000	2,665	47,350
28	W. E. Hazeltine	Prescott, Ariz	10,000	533	9,450
29	E. W. Townsend	Salmon Falls, N. H	50	2	50
29	Hawley I. White	North Bennington, Vt....	5,000	266	4,750
31	German-American Savings Bank.	Burlington, Iowa	10,000	533	9,450
30	Silas Weaver	East Greenwich, R. I.....	20,000	1,066	18,950
31	Chase National Bank	New York.....	500,000	26,655	473,350
31	Gallatin National Bank..	do	400,000	21,324	378,700
31	National Park Bank.....	do	1,000,000	53,310	946,700
31	Manhattan Trust Co.....	do	250,000	13,327	236,650
31	National City Bank.....	do	1,000,000	53,310	946,700
31	Drovers and Mechanics' National Bank.	Baltimore, Md	50,000	2,665	47,350
31	Seaboard National Bank..	New York.....	200,000	10,662	189,350
22	B. E. Tilden.....	Chicago, Ill.....	10,000	533	9,450
31	J. W. Free.....	New York.....	1,000	53	950
31	C. F. Spurgin.....	Kinsley, Kans.....	800	43	750

Subscription to 5 per cent loan of 1904.—Price, 117.223—Continued.

Date of receipt.	Subscriber.	Residence.	Amount.	Less 5.331 per cent.	Allotment.
1894.					
Feb. 1	Hanover National Bank..	New York.....	\$1,500,000	\$79,965	\$1,420,050
1	Bank of Manhattan Co....	do	500,000	26,655	473,350
1	Importers and Traders' National Bank.	do	1,000,000	53,310	946,700
1	Merchants' National Bank	do	500,000	26,655	473,350
1	Kuhn, Loeb & Co.....	do	1,500,000	79,965	1,420,050
1	Naumburg, Lauer & Co....	do	100,000	5,331	94,650
1	Bank of America.....	do	500,000	26,655	473,350
1	Vermilye & Co.....	do	500,000	26,655	473,350
1	L. von Hoffman & Co.....	do	700,000	37,317	662,700
1	Continental National Bank.	do	250,000	13,327	236,650
1	A. Grover.....	do	25,000	1,333	23,650
1	J. & W. Seligman & Co....	do	1,000,000	53,310	946,700
1	Mechanics' National Bank	do	500,000	26,655	473,350
1	Müller, Schall & Co.....	do	100,000	5,331	94,650
1	Unger, Smithers & Co....	do	500,000	26,655	473,350
1	Speyer & Co.....	do	1,000,000	53,310	946,700
1	Heidelberg, Ickelheimer & Co.	do	300,000	15,993	284,000
1	White & Hartshorne.....	do	200,000	10,662	189,350
1	Morton, Bliss & Co.....	do	500,000	26,655	473,350
1	Chemical National Bank.	do	1,000,000	53,310	946,700
1	Baring, Magoun & Co....	do	250,000	13,327	236,650
1	Hallgarten & Co.....	do	250,000	13,327	236,650
1	Wm. H. Stuart.....	Richmond, Me	1,000	53	950
1	New York Life Insurance and Trust Co.	New York	1,000,000	53,310	946,700
1	Layard Frères.....	do	1,000,000	53,310	946,700
1	Metropolitan Trust Co....	do	250,000	13,327	236,650
1	S. R. McLean.....	do	144,000	7,677	136,300
1	Schafer Bros.....	do	100,000	5,331	94,650
1	Brown Bros. & Co.....	do	1,000,000	53,310	946,700
1	United States Trust Co....	do	2,500,000	133,275	2,366,700
1	People's Bank.....	do	200,000	10,662	189,350
1	Bank of New York National Banking Association.	do	500,000	26,655	473,350
1	State Trust Co.....	do	250,000	13,327	236,650
1	National Citizens' Bank..	do	100,000	5,331	94,650
1	Girard Life Insurance, Annuity, and Trust Co.	Philadelphia, Pa.....	50,000	2,665	47,350
1	Kidder, Peabody & Co....	Boston, Mass	1,000,000	53,310	946,700
1	Mrs. Harriet Kelly.....	Baltimore, Md	1,000	53	950
1	German National Bank....	Cincinnati, Ohio	25,000	1,333	23,650
1	A. J. Burhler.....	Washington, D. C.....	400	21	400
1	Farmers' Loan and Trust Co.	New York	2,000,000	106,620	1,893,400
1	Phenix National Bank....	do	50,000	2,665	47,350
1	Sixth National Bank.....	do	50,000	2,665	47,350
1	Central National Bank....	do	1,000,000	53,310	946,700
1	Knickerbocker Trust Co....	do	500,000	26,655	473,350
1	Union Trust Co.....	do	2,500,000	133,275	2,366,700
1	New York Life Insurance Co.	do	3,000,000	159,930	2,840,050
1	National Bank of Commerce.	do	1,000,000	53,310	946,700
1	New York Security and Trust Co.	do	500,000	26,655	473,350
1	Fifth Avenue Bank.....	do	500,000	26,655	473,350
1	Merchants' National Bank	Middletown, Ohio.....	200,000	10,662	189,350
1	J. D. Probst & Co.....	New York	500,000	26,655	473,350
1	do	do	200,000	10,662	189,350
1	R. L. Day & Co.....	Boston.....	1,000,000	53,310	946,700
1	Hudson River Bank.....	New York	30,000	1,599	28,400
1	Bank of State of New York.	do	100,000	5,331	94,650
1	Bolognesi, Hartfield & Co.	do	25,000	1,333	23,650
1	Alling & Secor.....	do	300,000	15,993	284,000
1	Brooklyn Trust Co.....	do	200,000	10,662	189,350
1	Rochester Trust and Safe Deposit Co.	Rochester, N. Y.....	100,000	5,331	94,650
Jan. 19	W. J. Neil.....	Buchtel, Ohio.....	2,600	138	2,450
Feb. 1	Fourth National Bank....	New York	1,000,000	53,310	946,700
1	I. & S. Wormser.....	do	1,000,000	53,310	946,700
			42,996,850	2,292,151	40,704,700

TREASURY DEPARTMENT, Washington, D. C., February 3, 1894.

The allotment of bonds to subscribers bidding 117.223 amounting in the aggregate to \$40,704,700, is hereby approved.

J. G. CARLISLE, Secretary.

Subscriptions to 5 per cent loan of 1904.—Price, 117.224 to 200.

Date.	Subscriber.	Residence.	Amount.	Coupon.	Registered.	Price.
1894.						
Jan. 31	Third National Bank..	Cincinnati, Ohio	\$100,000	.....	\$100,000	117.224
23	T. M. Moseley	West Point, Miss	1,000	.....	1,000	117.225
Feb. 1	Sailer & Stevenson	Philadelphia	100,000	\$100,000	.....	117.225
1	Eutaw Savings Bank..	Baltimore	50,000	50,000	.....	117.225
1	People's Trust Co.	Brooklyn	500,000	500,000	.....	117.225
1	A. J. Mayer	New York	250,000	.....	.....	117.225
1	L. von Hoffman & Co.	do	300,000	300,000	.....	117.225
1	Eutaw Savings Bank..	Baltimore	50,000	50,000	.....	117.225
Jan. 31	American Exchange National Bank.	New York	500,000	500,000	.....	117.225
Feb. 1	Kidder, Peabody & Co.	Boston	250,000	.....	.....	117.227
1	Lee, Higginson & Co.	do	250,000	.....	.....	117.228
Jan. 31	Central National Bank.	Springfield, Mo	25,000	.....	25,000	117.23
23	Mrs. Mattie J. Berry	Athens, Ohio	300	.....	300	117.23
25	E. J. Hardtner	Pineville, La	2,000	.....	2,000	117.23
26	Ambrose Snow	Rockland, Me	10,000	.....	10,000	117.23
31	Daniel W. Cosgrove	Marlboro, Mass	1,000	.....	1,000	117.237
19	J. E. Tower	New York	50	50	.....	117.24
20	First National Bank	Milford, Del	15,000	.....	15,000	117.25
20	C. J. Cooper	Oxford, N. C	100	.....	.....	117.25
22	People's Trust Co	Farmington, Me	20,000	20,000	.....	117.25
26	B. E. Tilden, trustee	Chicago	10,000	10,000	.....	117.25
26	James Conway	Harpers Ferry, W. Va	1,500	500	1,000	117.25
27	Morris Mark	Herkimer, N. Y	100,000	100,000	.....	117.25
27	L. J. Lederer	Baltimore	100	100	.....	117.25
30	Van Schaick & Co.	New York	5,000	5,000	.....	117.25
31	First National Bank	San Francisco, Cal	100,000	.....	100,000	117.25
Feb. 1	Heidelbach, Ickelheimer & Co.	New York	100,000	100,000	.....	117.25
Jan. 31	National Shoe and Leather Bank.	do	200,000	.....	200,000	117.25
31	Bank of British North America.	do	250,000	250,000	.....	117.25
31	Albany County Savings Bank.	Albany, N. Y	70,000	70,000	.....	117.25
22	J. W. Leggett	Moscow, Tex	6,000	6,000	.....	117.25
31	Merchants' National Bank.	Boston	100,000	.....	100,000	117.25
31	Lawrence National Bank.	Lawrence, Mass	20,000	600	19,400	117.25
31	Fallkill National Bank.	Poughkeepsie, N. Y	100,000	.....	.....	117.25
31	Heidelbach, Ickelheimer & Co., account Ohio Valley National Bank, Cincinnati, Ohio.	New York	100,000	100,000	.....	117.25
Feb. 1	Caldwell & Bunker	do	10,000	10,000	.....	117.25
1	Charles C. Burke	do	5,000	5,000	.....	117.25
1	Merchants' National Bank.	Richmond, Va	150,000	.....	.....	117.25
1	Irving S. Lothrop	Dalcour, La	4,000	.....	.....	117.25
Jan. 31	International Trust Co.	Boston	500,000	100,000	400,000	117.251
Feb. 1	L. W. Morrison	New York	125,000	.....	125,000	117.26
1	United States Mortgage Co.	do	500,000	.....	500,000	117.26
1	E. Rollins Morse & Bro.	Boston	200,000	200,000	.....	117.26
1	Stein Bros	Baltimore, Md	100,000	100,000	.....	117.27
Jan. 31	Bank of British North America.	New York	250,000	250,000	.....	117.30
Feb. 1	E. H. Bonner & Co.	do	5,000	5,000	.....	117.30
1	Kidder, Peabody & Co.	Boston	250,000	.....	.....	117.319
1	E. Rollins Morse & Bro.	do	200,000	200,000	.....	117.33
1	Ohio Valley National Bank.	Cincinnati, Ohio	100,000	100,000	.....	117.35
1	National Bank of Republic, Washington, D. C., for First National Bank, Cincinnati, Ohio.	.....	100,000	.....	.....	117.312
1	E. Rollins Morse & Bro.	Boston	100,000	100,000	.....	117.38
1	Maier Berliner	New York	4,500	.....	4,500	117.446
Jan. 31	First National Bank	Bonham, Tex	30,000	.....	.....	117.50
22	East Tennessee National Bank.	Knoxville, Tenn	50,000	.....	50,000	117.50
30	W. E. Newbert	Kansas City, Mo	400	400	.....	117.50
31	People's National Bank	Burlington, Kans	25,000	.....	25,000	117.50
Feb. 1	J. H. Hecht	Boston	50,000	50,000	.....	117.50
Jan. 28	Manufacturers' National Bank.	Baltimore	25,000	.....	25,000	117.50
23	Roche & Coulter	do	50,000	50,000	.....	117.51

Subscriptions to 5 per cent loan of 1904.—Price, 117.224 to 200—Continued.

Date.	Subscriber.	Residence.	Amount.	Coupon.	Registered.	Price.
1894.						
Jan. 31	Merchants' Loan and Trust Co.	Chicago	\$250,000	\$250,000	.....	117.52
Feb. 1	National Bank of Redemption.	Boston.....	200,000	200,000	.....	117.52
1	New England Trust Co.	do	500,000	500,000	.....	117.55
Jan. 22	C. F. Troutman.....	Shepherdsville, Ky.....	500	.....	\$500	117.575
Feb. 1	Kidder, Peabody & Co.	Boston.....	250,000	.....	.....	117.697
Jan. 31	Kummer & Becker.....	Baltimore.....	10,000	10,000	.....	117.75
31	Bullitt County Bank...	Shepherdsville, Ky.....	2,500	.....	2,500	117.80
31	Eliz'th F. Leffingwell..	Summit, N. J.....	400	.....	400	117.815
Feb. 1	Hambleton & Co.....	Baltimore.....	50,000	50,000	.....	117.815
Jan. 31	Northwestern National Bank	West Superior, Wis.....	100,000	.....	100,000	117.825
31	D. W. Cosgrove.....	Marlboro, Mass.....	500	.....	500	117.85
Feb. 1	National Bank of the Republic, for First National Bank, Cincinnati, Ohio.	Washington, D. C.....	100,000	.....	.....	117.875
Jan. 31	Frank Rosenberg & Co.	Baltimore, Md.....	50,000	50,000	.....	117.875
19	First National Bank...	Brewsters, N. Y.....	20,000	20,000	.....	118
20	G. Schreitmiller.....	New York.....	100	100	.....	118
20	Louis Schraidt.....	do	100	100	.....	118
18	James Levy & Bro.....	Cincinnati, Ohio.....	10,000	.....	.....	118
20	Farmers' National Bank	Hudson, N. Y.....	6,000	.....	6,000	118
20	Charles Braden.....	West Point, N. Y.....	500	.....	500	118
22	H. O. Hall.....	Washington, D. C.....	150	150	.....	118
23	Roche & Coulter.....	Baltimore, Md.....	50,000	50,000	.....	118
23	J. W. Crosby.....	New York.....	500	500	.....	118
23	Jos. J. Sweeney.....	Baltimore, Md.....	2,000	1,000	1,000	118
27	Planters' National Bank	Richmond, Va.....	200,000	.....	200,000	118
26	Geo. M. Wright.....	New York.....	600	.....	600	118
28	Franklin Bank.....	St. Louis, Mo.....	200,000	200,000	.....	118
28	Geo. M. Wright, for Mrs. S. H. Dewey.	New York.....	600	.....	600	118
29	I. Wind.....	Huntsville, Ala.....	50	50	.....	118
29	David King, jr., committee, etc.	Washington, D. C.....	20,000	.....	20,000	118
29	David King, jr., guardian, etc.	do	40,000	.....	40,000	118
27	J. Tauber.....	Eau Claire, Wis.....	500	500	.....	118
30	William B. Matthews.	Washington, D. C.....	300	.....	300	118
29	E. J. Dougherty.....	Indianapolis, Ind.....	500	500	.....	118
23	James Keith.....	Little Rock, Ark.....	5,000	5,000	.....	118
28	L. Wormser & Bro.....	Jeanerette, La.....	4,000	4,000	.....	118
30	Merchants' National Bank.	Boston, Mass.....	200,000	.....	200,000	118
31	Silas E. Hurin, attorney for Ella P. Coruchan, guardian.	Findlay, Ohio.....	1,000	1,000	.....	118
Feb. 1	National Bank of Commerce.	New York.....	25,000	.....	25,000	118
Jan. 31	National Bank of Commerce.	St. Louis, Mo.....	70,000	70,000	.....	118
Feb. 1	J. Mayer.....	New York.....	5,000	.....	.....	118
1	E. M. Cronin.....	do	27,000	.....	27,000	118
Jan. 31	Bradford National Bank.	Bradford, Pa.....	25,000	.....	.....	118
Feb. 1	William T. Owsley....	Washington, D. C.....	450	.....	450	118
Jan. 31	C. F. Southmayd.....	New York.....	10,000	.....	10,000	118.100
Feb. 1	Frank Rosenberg & Co.	Baltimore, Md.....	50,000	50,000	.....	118.125
Jan. 31	A. C. Downer.....	Philadelphia, Pa.....	2,000	2,000	.....	118.250
Feb. 1	First National Bank...	Mexico, Mo.....	10,000	10,000	.....	118.250
Jan. 22	G. J. Van Schott.....	Passaic, N. J.....	600	.....	600	118.330
30	Emory Freed & Co.....	Philadelphia, Pa.....	20,000	20,000	.....	118.350
25	A. W. Evans.....	Elkton, Md.....	500	.....	500	118.400
31	Alexander Seibald.....	Baltimore, Md.....	3,000	.....	3,000	118.410
26	Miss Katharine Gibbon	Philadelphia, Pa.....	1,500	1,500	.....	118.411
26	R. H. Cook.....	Whitehall, N. Y.....	10,000	.....	10,000	118.411
27	First National Bank...	Minersville, Pa.....	40,000	.....	.....	118.411
Feb. 1	Hambleton & Co.....	Baltimore, Md.....	50,000	50,000	.....	118.411
1	Chas. A. Wissmann....	New York.....	300	300	.....	118.42
Jan. 22	Geo. D. Hawks.....	Weldon, N. C.....	300	300	.....	118.50
31	Merchants' National Bank.	Boston.....	100,000	.....	100,000	118.50
31	Bradford National Bank.	Bradford, Pa.....	25,000	.....	.....	118.50
Feb. 1	Adolph Rothbarth.....	New York.....	500	500	.....	118.875
1	Henry McEnroe.....	Washington.....	300	.....	300	119.000
1	Geo. E. Morgan.....	Fulton, Ill.....	600	300	300	119.000
1	Columbia National Bank.	Minneapolis, Minn.....	500	.....	500	119.01

Subscriptions to 5 per cent loan of 1904.—Price, 117.224 to 200—Continued.

Date.	Subscriber.	Residence.	Amount.	Coupon.	Registered.	Price.
1894.						
Jan. 26	Mary Connor	Philadelphia.....	\$8,000	.....	\$8,000	119.01
27	Farmers' National Bank.	Greenville, Ohio.....	10,000	.....	10,000	119.55
26	Rose Magee	Philadelphia.....	8,000	.....	8,000	119.613
28	Bay State Trust Co....	Boston.....	50,000	\$50,000	.....	119.613
20	James Spear.....	Philadelphia.....	20,000	.....	20,000	120.00
20	R. Reifegerste.....	Bellport, Long Island...	800	.....	800	120.00
22	J. C. O'Connor	Joliet, Ill	50	50	.....	120.00
20	Miss E. C. Todd.....	Asbury Park, N. J.....	50	50	.....	120.00
26	Rev. V. F. Schmitt....	Washington	300	300	.....	120.00
26	Wm. D. Nierste.....	Baltimore.....	50	50	.....	120.00
27	Jay Brooks.....	Chicago.....	5,000	.....	5,000	120.00
27	M. J. Hess.....	New York.....	50	50	.....	120.60
25	Susanna K. May.....	New Albany, Ind.....	500	.....	.....	120.00
31	Matthew L. Brett.....	Washington, Ind.....	500	500	.....	120.00
Feb. 1	Laura J. Crawford.....	Washington, D. C.....	250	.....	.....	120.00
1	Silas E. Hurin, att'y, etc	Findlay, Ohio.....	400	400	.....	120.00
Jan. 28	Wm. Connor.....	Philadelphia.....	8,000	.....	8,000	120.219
27	W. Graves & Co.....	Frankfort, N. Y.....	1,000	.....	1,000	120.50
29	Michael Treston.....	Philadelphia.....	8,000	.....	8,000	120.829
23	Wichita National Bank	Wichita, Kans.....	50	.....	50	200.00
	Total.....	.....	9,295,300			

RECAPITULATION.

Bonds at 117.223.....	\$42,996,850
Allotment of same.....	\$40,704,700
Bonds at higher prices.....	9,295,300
Total	50,000,000

TREASURY DEPARTMENT, *Washington, D. C., February 3, 1894.*

The proposals of subscribers bidding more than 117.223, amounting in the aggregate to \$9,295,300, are hereby accepted.

J. G. CARLISLE, *Secretary.*

Subscriptions to 5 per cent loan of 1904.—Bids not considered.

Date.	Subscriber.	Residence.	Amount.	Price.
1894.				
Feb. 1	Central Trust Co.....	New York	\$2,000,000	117.223
1	C. T. Walker	Greenville, N. C.....	3,000,000	117.815
(*)	Third National Bank	Louisville, Ky	50,000	119.613
(*)	National Bank of the Republic...	New York	500,000	117.223
(*)	Kewanee National Bank.....	Kewanee, Ill	5,000	117.815
(*)	Town-topics Financial Bank.....	New York	150,000	117.223
(*)	Kirk Munson	Wallingford, Vt.....	100	122.059
Jan. 30	C. L. Riker.....	Woodruff Hotel, Chicago	†50,000,000	.....
	Total.....	.....	55,705,100	

* Received after 12 o'clock m., February 1, 1894.

† Fifty separate offers of \$1,000,000 each, at prices ranging from 118.60 to 119.58.

[Circular. 1894. Department No. 171. Division of Loans and Currency.]

INVITING PROPOSALS FOR FIVE PER CENT BONDS.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., November 13, 1894.

By virtue of the authority contained in the act of Congress entitled "an act to provide for the resumption of specie payments," approved January 14, 1875, the Secretary of the Treasury hereby gives public notice that sealed proposals will be received at the Treasury Department, office of the Secretary, until 12 o'clock, noon, on the 24th day of November, 1894, for United States 5 per cent bonds, in either

registered or coupon form, dated February 1, 1894, redeemable in coin at the pleasure of the Government, after ten years from the date of their issue, and bearing interest, payable quarterly in coin, at the rate of 5 per cent per annum.

Bidders whose proposals are accepted will be required to pay 20 per cent in gold coin, or gold certificates, upon the amounts of their bids as soon as they receive notice of the acceptance of such bids, and to pay in like coin or certificates an additional 20 per cent at the expiration of each ten days thereafter, until the whole is paid; but they may, at their option, pay the entire amount of their bids when notified of acceptance, or at any time when an installment is payable. The first payment, however, of not less than 20 per cent must be made when the bidder receives notice of the acceptance of his proposal.

The denominations of the bonds will be \$50 and upward, and bidders will in their proposals state the denominations desired, whether registered or coupon, the price which the bidder proposes to pay, the place where it is desired that the bonds shall be delivered, and the office, whether that of the Treasurer of the United States or an assistant treasurer of the United States, where it will be most convenient for the bidder to deposit the amounts of his payments.

The bonds will be dated February 1, 1894, in order to make the proposed issue uniform as to date with the existing issue; but interest thereon will begin November 1, 1894, and bidders will be required to pay accrued interest at the rate of 5 per cent on the face value of their bonds from November 1 to the date or dates of payment. The total issue of bonds, in pursuance of this notice, will not exceed the sum of \$50,000,000.

The Secretary of the Treasury hereby expressly reserves the right to reject any or all bids.

All proposals should be addressed to the Secretary of the Treasury, Washington, D. C., and should be distinctly marked "Proposals for the purchase of 5 per cent bonds." Blank forms for proposals may be had on application to the Secretary of the Treasury.

J. G. CARLISLE,
Secretary of the Treasury.

Subscriptions to 5 per cent loan of 1904.

[Department circular of November 13, 1894. Prices above 117.077.]

Subscriber.	Residence.	Amount.	Price.
Ladenburg, Thalmann & Co	New York, N. Y.	\$250,000	117.115
Continental National Bank	do	30,000	117.212
American Union Life Insurance Company	do	50,000	117.437
American Exchange National Bank	do	500,000	117.094
Merchants' Loan and Trust Company	Chicago, Ill.	300,000	117.450
Speyer & Co	New York, N. Y.	500,000	117.113
F. Rosenberg & Co	Baltimore, Md.	30,000	117.19
Fourteenth Street Bank	New York, N. Y.	50,000	117.25
Kuhn, Loeb & Co	do	2,000,000	117.08
C. A. Low	do	100,000	117.09
Do	do	100,000	117.130
Do	do	100,000	117.212
Joliet National Bank	Joliet, Ill.	5,000	117.10
Globe National Bank	Boston, Mass.	250,000	117.11
Louis Ranger	New York, N. Y.	250,000	117.11
Emigrant Industrial Savings Bank	New York, N. Y.	200,000	117.11
Lee, Higginson & Co	Boston, Mass.	100,000	117.125
John S. Armstrong, president	Wilmington, N. C.	25,000	117.125
Shawmut National Bank	Boston, Mass.	250,000	117.125
Mathews, Bean & Co	Philadelphia, Pa.	50,000	117.16
Asiel & Co	New York, N. Y.	100,000	117.17
First National Bank	Newark, Ohio.	10,000	117.17
Society for Savings	Cleveland, Ohio.	100,000	117.18
National Union Bank	New York, N. Y.	100,000	117.2125
Bank of Mansfield	Mansfield, Ohio.	5,000	117.223
Hawley C. White	North Bennington, Vt.	5,500	117.223
E. Allen Frost	Chicago, Ill.	100	117.223
Bank of California	San Francisco, Cal.	500,000	117.23
Provident Life and Trust Co	Philadelphia, Pa.	200,000	117.240
Do	do	200,000	117.858
Do	do	200,000	118.125
Do	do	200,000	118.478
Do	do	200,000	118.655
Andrew Stowe	Thomaston, Me.	5,000	117.24
Euclid Avenue National Bank	Cleveland, Ohio.	5,000	117.125
Do	do	5,000	117.375
Fidelity Insurance Trust and Safe Deposit Co.	Philadelphia, Pa.	500,000	117.16
G. W. Stocking	Wheeling, W. Va.	3,000	117.25

Subscriptions to 5 per cent loan of 1904—Continued.

Subscriber.	Residence.	Amount.	Price.
W. R. Burt	Saginaw, East Side, Mich	\$100,000	117.25
J. W. Crosby	New York, N. Y	1,000	177.25
Robert T. Kelly	Joliet, Ill	500	117.25
E. Thiele	New York, N. Y	10,000	117.25
National Bank of Coatesville	Coatesville, Pa	25,000	117.25
First National Bank	San Francisco, Cal	50,000	117.50
Do	do	100,000	117.250
Henry Lessner	Dayton, Ohio	1,000	117.25
Mrs. L. C. Moore	Atlanta, Ga	50	117.26
N. Johannsen	Brooklyn, N. Y	20,000	117.76
Do	do	20,000	117.51
Do	do	20,000	117.26
Kidder, Peabody & Co	Boston, Mass	500,000	117.28
National Park Bank, New York, for J. S. Arm- strong, president.	Wilmington, N. C	25,000	117.375
Do	do	25,000	117.50
Do	do	25,000	117.25
First National Bank	Parkersburg, W. Va	10,000	117.50
Charles Braden	West Point, N. Y	400	117.50
Third National Bank	Scranton, Pa	500	117.50
Cortland Savings Bank	Cortland, N. Y	15,000	117.50
A. Rothbarth	New York, N. Y	1,000	117.50
Harry Finson	San Pablo, Cal	1,000	117.50
Mutual Assurance Co	Philadelphia, Pa	60,000	117.51
Lewis A. Scott	do	2,600	117.541
Dollar Savings Bank	Pittsburg, Pa	300,000	117.56
Frank B. Beers	Brooklyn, N. Y	25,000	117.85
John Hubert	Baltimore, Md	250	118.60
W. B. Rochester, jr	Washington, D. C	100	118.08
Francis Kelly & Co	Wilmington, Del	5,000	118.25
Barbara A. Dugan	Scranton, Pa	1,000	119.00
James J. Hanna	Liberty Grove, Md	200	120.00
Bank of Lenoir	Lenoir, N. C	1,500	120.00
Charles Clinton	Smithville Flats, N. Y	200	120.00
Mrs. Ellen Ryan	Brooklyn, N. Y	350	120.50
Indianapolis National Bank	Indianapolis, Ind	210,000	117.12
Bank of British North America	New York, N. Y	60,000	117.15
S. A. Fletcher & Co	Indianapolis, Ind	140,000	117.11
Oelbermann, Dommerick & Co	New York, N. Y	50,000	117.12
Do	do	50,000	117.12
Do	do	50,000	117.13
Do	do	50,000	117.14
Do	do	50,000	117.15
J. M. Sorzano	New York, N. Y	25,000	117.25
Wisconsin National Bank	Milwaukee, Wis	100,000	117.112
Cuyler, Morgan & Co	New York, N. Y	20,000	117.11
Bank of Montreal	do	250,000	117.15
Do	do	250,000	117.17
Do	do	250,000	117.20
Do	do	400,000	117.08
Lee, Higginson & Co	Boston, Mass	100,000	117.131
Stein Bros	Baltimore, Md	50,000	117.19
Euclid Avenue National Bank	Cleveland, Ohio	5,000	117.25
Syndicate bid for all or none, price 117.077, which was accepted.		10,935,250 50,000,000	117.077

Signatures and memorandum, as follows:

UNITED STATES TRUST COMPANY OF NEW YORK,
By JOHN A. STEWART, *President*.
DREXEL, MORGAN & CO.
UNION TRUST COMPANY OF NEW YORK,
By EDWD. KING, *President*.
THE FIRST NATIONAL BANK OF NEW YORK,
By J. A. GARLAND, *Vice-President*.
HARVEY FISK & SONS.

For the information of the Department we beg to state that the following corporations, firms, and individuals are interested with us in this bid:

Drexel & Co., Philadelphia; J. S. Morgan & Co., London; National Bank of Commerce, in New York; Chase National Bank, of New York; National City Bank of New York; Hanover National Bank, of New York; First National Bank of Chicago; Mutual Life Insurance Company, of New York; Gallatin National Bank, of New York; Mer-

chants National Bank, of New York; Manhattan Company, of New York; Morton, Bliss & Co., New York; Heidelbach, Ickelheimer & Co., New York; I. & S. Wormser, New York; J. & W. Seligman & Co., New York; Blair & Co., New York; Vermilye & Co., New York; F. S. Smithers & Co., New York, N. Y.; Edward Sweet & Co., New York; Kountze Bros., New York; Laidlaw & Co., New York; Bowery Savings Bank, of New York; Knickerbocker Trust Company; Greenwich Savings Bank, of New York; Cooper, Hewitt & Co., New York; A. R. Eno, New York; A. E. Orr, for a Brooklyn savings bank; Brewster, Cobb & Estabrook, Boston; Winslow, Lanier & Co.; Brooklyn Trust Co.; E. Rollins Morse & Bro., Boston; Blake Bros. & Co., Boston; Fourth National Bank of New York.

[Prices between 116.8898 and 117.077.]

Subscriber.	Residence.	Amount.	Price.
Watjen, Toel & Co.	New York	\$100,000	117.061
Speyer & Co.	do	500,000	117.055
August Pfleger	Union Hill, N. J.	100,000	117.01
Hudson Trust and Savings Institution	Hoboken, N. J.	50,000	117
Farmers' National Bank	Greenville, Ohio	25,000	117
Alice B. Willing	Philadelphia, Pa.	14,000	117
J. S. Parke	Plattsburg, N. Y.	500	117
Central National Bank	New York, N. Y.	6,000	117
J. E. Hindon Hyde, executor	do	1,500	117
Paul S. Tooker	do	250	117
Farmers and Traders' Bank	Hillsboro, Ohio	10,000	117
Henry H. Truman	New York	50	117
Teresa Aquadro	Bridgeport, Conn.	1,000	117
Christian W. Lynch	Harrisburg, Pa.	5,000	117
Hocking Valley National Bank	Lancaster, Ohio	10,000	117
First National Bank of Buchanan County	St. Joseph, Mo.	1,000	117
James Talcott	New York	50,000	117
Wm. B. Ross	do	10,000	117
Wisconsin National Bank	Milwaukee, Wis.	50,000	117
Salvatore Cantoni	New York	25,000	117
Schafer Bros	do	100,000	116.984
Speyer & Co.	do	500,000	116.925
Schulz & Ruckgaber	do	100,000	116.90
National Bank of North America	do	100,000	116.901
Do	do	100,000	116.89
Stein Bros	Baltimore, Md.	50,000	117.01
Hallgarten & Co.	New York	5,000	116.90
Do	do	5,000	116.95
Indiana National Bank	Indianapolis, Ind.	30,000	116.96
Do	do	30,000	117.01
Do	do	30,000	117.06
S. A. Fletcher & Co.	do	20,000	116.96
Do	do	20,000	117.01
Do	do	20,000	117.06
Hallgarten & Co.	New York	555,000	117.01
Bank of Montreal	do	300,000	116.92
Kummer & Becker	Baltimore, Md.	5,000	116.95
Lee, Higginson & Co.	Boston, Mass.	100,000	116.895
Brown, Bros. & Co.	New York	25,000	117
J. Tauber	Eau Claire, Wis.	500	117
E. Thiele	New York	10,000	117
Cortland Savings Bank	Cortland, N. Y.	15,000	117
American Union Life Insurance Co.	New York	50,000	116.993
Merchants' Loan and Trust Co.	Chicago, Ill.	300,000	117.002
Frank Rosenberg & Co.	Baltimore, Md.	20,000	117.01
Kuhn, Loeb & Co.	New York	2,000,000	116.92
C. Adolphe Low	do	100,000	117.03
Jno. S. Armstrong	Wilmington, N. C.	25,000	117
Euclid Avenue National Bank	Cleveland, Ohio	5,000	117
Mechanics' Savings Bank	Rochester, N. Y.	50,000	117
Total		5,629,800	

[Syndicate bid for all or any part. Price, 116.8898.]

United States Trust Co.	New York		
Drexel, Morgan & Co. and associates.	do	\$50,000,000	116.8898

This bid was the same as to the bidders and their associates as the bid which was accepted; see memorandum giving names.

[Prices below 116.8898.]

Subscriber.	Residence.	Amount.	Price.
W. E. Hazeltine	Prescott, Ariz	\$10,000	116.108
Hayward Hawes	Rochester, N. Y	6,000	116.60
Do	do	100,000	116.505
W. H. Lewis	Somerville, Mass	100	103
Joseph C. Hoagland	New York	100,000	116.05
Corn Exchange Bank	do	40,000	116.75
Mount Morris Bank	do	200,000	116.65
Harry H. Lang	Philadelphia, Pa	500	104
Industrial Trust Co.	Providence, R. I	50,000	116.104
Do	do	50,000	116.658
Third National Bank	New York	100,000	116.658
Do	do	50,000	116.150
Do	do	50,000	116.658
Charles L. Gabsdy	Chicago, Ill	100	100
People's National Bank	Marlboro, Mass	15,000	116.25
Central National Bank	Chillicothe, Ohio	25,000	116.10
Patrick Walsh	Logansport, Ind	3,000	116.008
M. C. Bouvier	New York	100,000	116.43
Harrisburg National Bank	Harrisburg, Pa	6,000	116.5
Do	do	3,000	116
Manufacturers' National Bank	Baltimore, Md	25,000	116.10
First National Bank	Quincy, Ill	1,000	100
David B. Altemus	Brooklyn, N. Y	500	106
Fourth National Bank	New York	1,000,000	116
J. Kridel Sons & Co.	do	50,000	116.105
Lehigh Valley Trust and Safe Deposit Co.	Allentown, Pa	10,000	116
First National Bank	Cincinnati, Ohio	100,000	116.70
Bruce M. Priddy	Wichita, Kans	600	110
Norfolk National Bank	Norfolk, Va	25,000	116
L. von Hoffmann	New York	175,000	116.551
Do	do	125,000	116.555
Do	do	125,000	116.561
Do	do	125,000	116.563
American Exchange National Bank	do	800,000	116.167
Do	do	500,000	116.432
Do	do	500,000	116.870
Merchants' Loan and Trust Co.	Chicago, Ill	300,000	116.241
Do	do	300,000	116.552
Speyer & Co.	New York	1,000,000	116.266
Do	do	1,000,000	116.406
Do	do	1,000,000	116.586
Do	do	1,000,000	116.766
Albert J. Appleby	Pittsfield, Me	3,600	100
E. B. McCullers	Clayton, N. C	1,000	102
Lazard Frères	New York	1,000,000	116.525
Do	do	500,000	116.40
Do	do	500,000	116.30
A. P. Churchill	Erie, Pa	1,000	100
George M. Wright	New York	3,600	116.25
Merchants' National Bank	Boston, Mass	100,000	116.28
Do	do	350,000	116.28
Do	do	50,000	116.103
National Capital Bank	Washington, D. C	35,000	116.105
Manufacturers' National Bank	Racine, Wis	25,000	116.25
Hoskier, Wood & Co.	New York	75,000	116.77
Do	do	150,000	116.69
Redmond, Kerr & Co.	do	1,000,000	116.113
First National Bank	Clarion, Pa	10,000	116.75
Arbuckle Bros	New York	500,000	116.625
Do	do	500,000	116.562
Do	do	500,000	116.1732
American Union Life Insurance Co.	New York	50,000	116.106
Do	do	50,000	116.551
Continental National Bank	do	100,000	116.103
Do	do	100,000	116.255
Do	do	50,000	116.525
Do	do	30,000	116.103
Stein Bros	Baltimore, Md	50,000	116.52
McKeen & Co.	Terre Haute, Ind	2,500	116.008
Goldman, Sachs & Co.	New York	250,000	116.625
Do	do	100,000	116.750
George J. Magee	Corning, N. Y	75,000	116.835
Do	do	75,000	116.559
Do	do	75,000	116.283
Do	do	75,000	116.008
Suffolk Savings Bank for Seamen and others	Boston, Mass	250,000	116.20
Cesare Conti	New York	50,000	116.625
Louis Ranger	do	250,000	116.85
Manhattan Trust Co.	do	1,000,000	116.41
Hamilton Trust Co.	Brooklyn, N. Y	100,000	116.20
George F. Edmunds	Burlington, Vt	10,000	116.30
C. A. Mott	Philadelphia, Pa	1,200	112.56

[Prices below 116.8898—Continued.]

Subscriber.	Residence.	Amount.	Price.
Keeseville National Bank	Keeseville, N. Y.	\$20,000	116.50
The State Trust Co.	New York	250,000	116.502
I. G. Whitney	Boston, Mass	25,000	116
New York Life Insurance Co	New York	2,500,000	116.625
Thames National Bank	Norwich, Conn.	1,000,000	116.625
First National Bank	Springfield, Ohio	100,000	116.10
Chase National Bank	New York	500,000	116.560
Farson, Leach & Co.	do	250,000	116.125
Do	do	250,000	116.39
Do	do	250,000	116.55
Do	do	250,000	116.77
Asiel & Co	do	100,000	116.14
Do	do	100,000	116.20
Do	do	100,000	116.26
John E. Dean	Chicago, Ill	10,000	116.05
D. B. Freeman	Saginaw East Side, Mich	6,000	116.50
Citizens' Bank	Salem, Ind	4,000	116.05
Sailer & Stevenson	Philadelphia, Pa	100,000	116.5
A. L. Duyckinck	Rising Sun, Md	3,000	100
A. W. Crittendon	Washington, D. C	2,000	100
South Bend National Bank	South Bend, Ind	10,000	116
Guardian Trust Company	Cleveland, Ohio	100,000	116.05
Rhode Island Hospital Trust Company	Providence, R. I	200,000	116.10
W. W. Crawford	Goldsboro, N. C	5,000	100
Harrison P. Laird	Greensburg, Pa	2,000	115
L. von Hoffman	New York	125,000	116.565
Do	do	125,000	116.576
Agency Bank of British North America	do	50,000	116.10
Do	do	240,000	116.25
Do	do	285,000	116.50
New York Security and Trust Company	do	750,000	116.50
Hallgarten & Co.	do	5,000	116.75
Do	do	5,000	116.80
Do	do	5,000	116.85
N. W. Harris & Co.	do	500,000	116.53
Schafer Bros.	do	100,000	116.542
Lehman Bros.	do	100,000	116.50
Second National Bank	Boston, Mass	300,000	116.008
Speyer & Co.	New York	500,000	116.585
Continental National Bank	Chicago, Ill	500,000	116.50
Do	do	100,000	116
Do	do	50,000	116.05
The Indiana Trust Co.	Indianapolis, Ind	1,000,000	116
Bradford Rhodes	New York	10,000	116.559
Do	do	15,000	116.103
Security Trust and Safe Deposit Co.	Wilmington, Del	200,000	116.103
First National Bank	Grafton, W. Va	15,000	116.25
Goldman, Sachs & Co.	New York	150,000	116.126
Do	do	200,000	116.251
Do	do	150,000	116.376
The Nassau Bank	do	100,000	116.10
Do	do	100,000	116.16
Do	do	100,000	116.26
Do	do	100,000	116.36
E. Thiele	do	10,000	116.375
E. Thiele	New York	10,000	116.625
L. W. Morrison	do	200,000	116.21
August Lewis	do	20,000	116.103
Knauth, Nachod & Kuhne	do	110,000	116.25
National Bank of Coatesville	Coatesville, Pa	25,000	116
Zilla S. Durfee	Wyoming, N. Y	200	110
Daisy Durfee Sweeting	do	100	110
Bank of Montreal	New York	300,000	116.77
Kidder, Peabody & Co	Boston, Mass	500,000	116.04
Do	do	500,000	116.11
Do	do	500,000	116.18
Do	do	500,000	116.33
Do	do	500,000	116.44
Do	do	500,000	116.68
Do	do	500,000	116.83
Ladenburg, Thalmann & Co.	New York	100,000	116.05
Do	do	100,000	116.10
Do	do	100,000	116.15
Do	do	100,000	116.20
Do	do	100,000	116.25
Do	do	100,000	116.30
Do	do	100,000	116.35
Do	do	100,000	116.40
Do	do	100,000	116.45
Do	do	100,000	116.50
Do	do	250,000	116.85
Henry Stephens	Detroit, Mich	100,000	100

[Prices below 116.8898—Continued.]

Subscriber.	Residence.	Amount.	Price.
Marshall & Ilsley Bank.....	Milwaukee, Wis.....	\$100,000	116.6
Do	do	25,000	116.6
Wood, Huestis & Co	New York.....	100,000	116.285
Do	do	100,000	116.818
Atlas National Bank.....	Cincinnati, Ohio.....	100,000	116.5
National Branch Bank of Madison.....	Madison, Ind.....	25,000	116.103
Kuhn, Loeb & Co.....	New York.....	2,000,000	116.77
Frank Rosenberg & Co	Baltimore, Md.....	20,000	116.53
Do	do	30,000	116.77
Fourteenth Street Bank.....	New York.....	50,000	116.75
Lee, Higginson & Co.....	Boston, Mass.....	150,000	116.753
Lee, Higginson & Co.....	do	250,000	116.225
Shawmut National Bank.....	do	250,000	116.625
Mathews, Bean & Co.....	Philadelphia, Pa.....	50,000	116.05
E. Thiele.....	New York.....	10,000	116.875
Kummer & Becker.....	Baltimore, Md.....	5,000	116.55
Do	do	5,000	116.35
Do	do	10,000	116.26
Brown, Shipley & Co., of London.....	New York.....	1,000,000	115.25
Brown Bros. & Co.....	do	500,000	116.16
Do	do	500,000	116.16
Watjen, Toel & Co	do	100,000	116.111
Do	do	100,000	116.258
Do	do	100,000	116.561
Do	do	100,000	116.811
Central National Bank.....	do	25,000	116.01
Do	do	610,000	116.559
Do	do	500,000	116.008
New England National Bank.....	Boston, Mass.....	200,000	116.559
Farmers and Traders' Bank.....	Hillsboro, Ohio.....	10,000	116.50
James Talcott.....	New York.....	200,000	116.0081
Do	do	150,000	116.559
Guiterman Bros.....	do	5,000	116.375
National Bank of North America.....	do	100,000	116.123
Do	do	100,000	116.234
Do	do	100,000	116.345
Do	do	100,000	116.456
Do	do	100,000	116.567
Do	do	100,000	116.678
Do	do	100,000	116.789
Do	do	100,000	116.012
State Trust Co.....	do	15,000	116.125
Charles J. Upham.....	Dorchester, Mass.....	200	116.5
Philadelphia Trust, Safe Deposit and Insurance Co.....	Philadelphia, Pa.....	100,000	116.01
Phenix National Bank.....	New York.....	50,000	116.120
Joseph J. Skinner.....	Boston, Mass.....	5,000	116.125
Seligsberg & Co.....	New York.....	200,000	116.55
German National Bank.....	Cincinnati, Ohio.....	200,000	116.11
Seaboard National Bank.....	New York.....	50,000	116.125
George F. Edmunds.....	Burlington, Vt.....	10,000	116
Scholle Bros.....	New York.....	125,000	116.50
Shoe and Leather National Bank.....	Boston, Mass.....	185,000	116.209
Do	do	265,000	116.66
Mina Rosella Lemison.....	New York.....	100	113.50
Roche & Coulter.....	Baltimore, Md.....	50,000	116.75
James A. Trowbridge.....	New York.....	100,000	116.250
Do	do	100,000	116.312
Do	do	100,000	116.375
Do	do	100,000	116.437
Do	do	100,000	116.500
Merchants' Bank of Canada.....	do	100,000	116.5
Do	do	100,000	116.75
Brooklyn Trust Co. of Brooklyn, N. Y.....	Brooklyn, N. Y.....	500,000	116.008
Julius A. Kohn.....	New York.....	20,000	116.103
International Trust Co.....	Boston, Mass.....	450,000	116.0402
First National Bank.....	Rondout, N. Y.....	60,000	116.25
E. H. Rollins & Son.....	Boston, Mass.....	250,000	116.539
Jasper Van Wormer.....	Albany, N. Y.....	50,000	116.60
Independent National Bank.....	Philadelphia, Pa.....	200,000	116.11
R. L. Day & Co.....	Boston, Mass.....	250,000	116.13
Do	do	250,000	116.26
Do	do	250,000	116.39
Do	do	250,000	116.55
International Trust Co.....	do	550,000	116.1351
American Exchange National Bank.....	New York.....	300,000	116.55
Mrs. C. D. Mennich.....	Philadelphia, Pa.....	800	105
Hogue & Donaldson.....	Scio, Harrison County, Ohio.....	5,000	116.42
E. A. Monaghan.....	Lockhaven, Pa.....	20,000	102.50
Traders' National Bank.....	Lowell, Mass.....	100,000	116.25
Do	do	100,000	116.125
Peter A. Butz.....	Alburtis, Pa.....	1,000	105

[Prices below 116.8898—Continued.]

Subscriber.	Residence.	Amount.	Price.
Fredk. Bancroft.....	Boston, Mass.....	\$200	116.5
Charles Lewis.....	New York.....	1,150	.....
First National Bank.....	Whitewater, Wis.....	30,000	116.125
James R. Black.....	Newark, Ohio.....	200	106
Union Savings Bank and Trust Co.....	Cincinnati, Ohio.....	50,000	116.13
Do.....	do.....	50,000	115.50
Henry W. Berg.....	New York.....	10,000	116.103
Graham F. Blandy.....	do.....	20,000	116.25
J. H. Thompson.....	Farmington, Me.....	1,000	116.50
First National Bank.....	Greenfield, Mass.....	50,000	116.75
Lehigh Valley Trust and Safe Deposit Co.....	Allentown, Pa.....	10,000	116.103
Muller, Schalle & Co.....	New York.....	100,000	116.025
First National Bank.....	Paterson, N. J.....	75,000	116.10
White & Hartshorne.....	New York.....	125,000	116.15
Do.....	do.....	125,000	116.20
First National Bank.....	Bath, N. Y.....	2,000	116.103
Ohio Valley National Bank.....	Cincinnati, Ohio.....	50,000	116.125
Perth Amboy Savings Institution.....	Perth Amboy, N. J.....	10,000	116.75
Hide and Leather National Bank.....	New York.....	50,000	116.0081
Gertrude E. Treadwell.....	Seabright, N. J.....	1,000	100
Whitaker & Hodgman.....	St. Louis, Mo.....	30,000	116.25
Importers and Traders' National Bank.....	New York.....	2,000,000	116.0081
August Belmont & Co.....	do.....	1,500,000	116.30
Third National Bank.....	Cincinnati, Ohio.....	50,000	115.51
Do.....	do.....	50,000	116.13
Richardson & Co.....	New York.....	50,000	116.11
Nassau Trust Co.....	Brooklyn, N. Y.....	120,000	116.54
Donald W. McLeod.....	New York.....	46,000	116.103
Bank of British North America.....	do.....	200,000	116.75
Enoch Pratt.....	Baltimore, Md.....	100,000	116.51
Emory Freed & Co.....	Philadelphia, Pa.....	10,000	116.38
Samuel B. Lippman.....	New York.....	200	116.25
First National Bank.....	Hamilton, Ohio.....	50,000	116.55
J. W. Davis & Co.....	New York.....	100,000	116.008
Jos. W. Hollingsworth.....	Fayetteville, N. C.....	2,000	116.25
W. R. Houghtaling.....	New York.....	100,000	116.105
E. P. Berry, cashier Farmers and Mechanics' National Bank.....	Georgetown, D. C.....	25,000	116.25
Do.....	do.....	25,000	116.50
Charles Unger.....	New York.....	200,000	116.31
H. R. Major.....	Philadelphia, Pa.....	50,000	116.50
Do.....	do.....	50,000	116.20
First National Bank.....	Port Jervis, N. Y.....	20,000	116
Pacific Bank.....	New York.....	50,000	116.12
Do.....	do.....	250,000	116.56
W. A. Day.....	Washington, D. C.....	4,000	116.66
Seymour P. Kurzman.....	New York, N. Y.....	1,000	110
Henry J. Newman.....	do.....	1,000	104
Hilas E. Roberts.....	Chelsea, Vt.....	5,000	116.008
Mechanics' Savings Bank.....	Rochester, N. Y.....	50,000	116
E. A. Keiner.....	Gloversville, N. Y.....	1,000	.....
Alex J. Mayer.....	New York.....	100,000	116.51
Max W. Mayer.....	do.....	12,000	116.50
Do.....	do.....	3,000	116.38
Charles Mayer.....	do.....	15,000	116.5
Maryland Trust Co.....	Baltimore, Md.....	100,000	116.69
Susan T. Cruik.....	Washington, D. C.....	650	116.103
National Exchange Bank.....	Baltimore, Md.....	100,000	116.16
Peoples Trust Co.....	Brooklyn, N. Y.....	150,000	116.375
Hambleton & Co.....	Baltimore, Md.....	25,000	116.26
Do.....	do.....	25,000	116.17
Do.....	do.....	50,000	116.12
R. S. Williams.....	New York, N. Y.....	10,000	116.75
Southern National Bank.....	do.....	200,000	116.60
B. Aymar Sands.....	do.....	10,000	116.75
Old Colony Trust Co.....	Boston, Mass.....	1,000,000	116.43
First National Bank.....	Providence, R. I.....	40,000	116.5
Merchants' National Bank.....	Middletown, Ohio.....	200,000	116.105
Seaboard National Bank.....	New York.....	115,000	116.25
Do.....	do.....	85,000	116.375
Do.....	do.....	75,000	116.50
Do.....	do.....	25,000	116.625
State Street Safe Dep. and Trust Co.....	Boston, Mass.....	50,000	116.25
The Firemen's Loan and Trust Co.....	New York, N. Y.....	3,000,000	116.103
A. R. Pick & Co.....	do.....	50,000	116.125
Do.....	do.....	50,000	116.25
New York Security and Trust Co.....	do.....	25,000	116.25
State National Bank.....	Cleveland, Ohio.....	200,000	116.05
Peoples Trust Co.....	Farmington, Me.....	5,000	116.125
Corn Exchange Bank.....	New York.....	500,000	116.26
First National Bank.....	Cincinnati, Ohio.....	100,000	116.114
H. I. Dittman.....	New York.....	10,000	116.625
German-American Bank.....	do.....	250,000	116.27

[Prices below 116.8898—Continued.]

Subscriber.	Residence.	Amount.	Price.
Maria L. Crosley	Brooklyn, N. Y.	\$1,200	105
West Savings Fund Society of Philadelphia, Pa.	Philadelphia, Pa.	100,000	116.20
Saml. B. Lippman	New York, N. Y.	200	116.10
Beneficial Savings Fund Society	Philadelphia, Pa.	100,000	116.05
H. A. Vaughan	Decatur, Ala.	50	.....
Bolognesi, Hartfield, & Co	New York, N. Y.	10,000	116.4375
Do	do	10,000	116.5
Do	do	15,000	116.375
New England Trust Co.	Boston, Mass.	200,000	116.11
People's Trust Co.	Farmington, Me.	20,000	116.125
Do	do	20,000	116.125
First National Bank	Westminster, Md.	10,000	116.103
Antonio Minalos	New York, N. Y.	5,000	116.25
National Mechanics' Bank	Baltimore, Md.	100,000	116.103
J. D. Probst & Co.	New York, N. Y.	100,000	116.252
Do	do	100,000	116.502
Do	do	100,000	116.752
Aaron Lloyd	Belleville, N. J.	150	100
Total .....	.....	61,776,100	

RECAPITULATION.

Prices above 117.077	\$10,935,250
At 117.077	50,000,000
Prices between 116.8898 and 117.077	5,629,800
At 116.8898	50,000,000
Prices below 116.8898	61,776,100
Total	178,341,150

CONTRACT.

This agreement entered into this eighth day of February, 1895, between the Secretary of the Treasury of the United States, of the first part, and Messrs. August Belmont and Company, of New York, on behalf of Messrs. N. M. Rothschild and Sons, of London, England, and themselves, and Messrs. J. P. Morgan and Company, of New York, on behalf of Messrs. J. S. Morgan and Company, of London, and themselves, parties of the second part,

Witnesseth: Whereas it is provided by the Revised Statutes of the United States (section 3700) that the Secretary of the Treasury may purchase coin with any of the bonds or notes of the United States authorized by law, at such rates and upon such terms as he may deem most advantageous to the public interests; and the Secretary of the Treasury now deems that an emergency exists in which the public interests require that, as hereinafter provided, coin shall be purchased with the bonds of the United States, of the description hereinafter mentioned, authorized to be issued under the act entitled "An act to provide for the resumption of specie payments," approved January 14, 1875, being bonds of the United States described in an act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt."

Now, therefore, the said parties of the second part hereby agree to sell and deliver to the United States three million five hundred thousand ounces of standard gold coin of the United States, at the rate of \$17.80441 per ounce, payable in United States four per cent thirty-year coupon or registered bonds, said bonds to be dated February 1, 1895, and payable at the pleasure of the United States after thirty years from date, issued under the acts of Congress of July 14, 1870, January 20, 1871, and January 14, 1875, bearing interest at the rate of four per cent per annum, payable quarterly.

First.—Such purchase and sale of gold coin being made on the following conditions:

(1) At least one-half of all coin deliverable hereinunder shall be obtained in and shipped from Europe, but the shipments shall not be required to exceed three hundred thousand ounces per month, unless the parties of the second part shall consent thereto.

(2) All deliveries shall be made at any of the subtreasuries or at any other legal depository of the United States.

(3) All gold coins delivered shall be received on the basis of twenty-five and eight-tenths grains of standard gold per dollar, if within limit of tolerance.

(4) Bonds delivered under this contract are to be delivered free of accrued interest, which is to be assumed and paid by the parties of the second part at the time of their delivery to them.

Second.—Should the Secretary of the Treasury desire to offer or sell any bonds of the United States on or before the first day of October, 1895, he shall first offer the same to the parties of the second part; but thereafter he shall be free from every such obligation to the parties of the second part.

Third.—The Secretary of the Treasury hereby reserves the right, within ten days from the date hereof, in case he shall receive authority from Congress therefor, to substitute any bonds of the United States, bearing three per cent interest, of which the principal and interest shall be specifically payable in United States gold coin of the present weight and fineness for the bonds herein alluded to; such three per cent bonds to be accepted by the parties of the second part at par, i. e.: at \$18.60465 per ounce of standard gold.

Fourth.—No bonds shall be delivered to the parties of the second part, or either of them, except in payment for coin from time to time received hereunder; whereupon the Secretary of the Treasury of the United States shall and will deliver the bonds as herein provided, at such places as shall be designated by the parties of the second part. Any expense of delivery out of the United States shall be assumed and paid by the parties of the second part.

Fifth.—In consideration of the purchase of such coin, the parties of the second part, and their associates hereunder, assume and will bear all the expense and inevitable loss of bringing gold from Europe hereunder; and, as far as lies in their power, will exert all financial influence and will make all legitimate efforts to protect the Treasury of the United States against the withdrawals of gold pending the complete performance of this contract.

In witness whereof the parties hereto have hereunto set their hands in five parts this 8th day of February, 1895.

J. G. CARLISLE,
Secretary of the Treasury.

AUGUST BELMONT & CO.,
On behalf of Messrs. N. M. Rothschild & Sons, London, and themselves.

J. P. MORGAN & CO.,
On behalf of Messrs. J. S. Morgan & Co., London, and themselves.

Attest:

W. E. CURTIS,
FRANCIS LYNDE STETSON.

INVITING PROPOSALS FOR FOUR PER CENT BONDS.

[1896. Department Circular No. 3. Division of Loans and Currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 6, 1896.

Notice is hereby given that sealed proposals will be received at the office of the Secretary of the Treasury, at Washington, D. C., until 12 o'clock m., on Wednesday, the 5th day of February, 1896, for the purchase of one hundred million dollars (\$100,000,000) of United States four per cent coupon or registered bonds, in denominations of fifty dollars (\$50) and multiples of that sum, as may be desired by bidders.

The right to reject any or all bids is reserved.

The bonds will be dated on the first day of February, 1895, and be payable in coin thirty years after that date, and will bear interest at four per centum per annum, payable quarterly, in coin, but all coupons maturing on and before the first day of February, 1896, will be detached, and purchasers will be required to pay in United States gold coin, or gold certificates, for the bonds awarded to them, and all interest accrued thereon after the first day of February, 1896, up to the time of payment for the bonds.

Payments for the bonds must be made at the Treasury of the United States at Washington, D. C., or at the United States subtreasuries at New York, Boston, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, and New Orleans, and they may be made at San Francisco with exchange on New York, and all bids must state what denominations of bonds are desired, and whether coupon or registered, and at what place they will be paid for.

Payments may be made by installments, as follows: Twenty per cent (20 per cent) and accrued interest upon receipt of notice of acceptance of bids, and twenty per cent (20 per cent) and accrued interest at the end of each ten days thereafter; but all accepted bidders may pay the whole amount at the date of the first installment, and those who have paid all installments previously maturing may pay the whole amount of their bids at any time, not later than the maturity of the last installment.

The bonds will be ready for delivery on or before the fifteenth day of February, 1896.

Notice is further hereby given that if the issue and sale of an additional or different form of bond for the maintenance of the gold reserve shall be authorized by law before the fifth day of February, 1896, sealed proposals for the purchase of such bonds will also be received at the same time and place, and up to the same date, and upon the same terms and conditions herein set forth, and such bids will be considered as well as the bids for the four per cent bonds herein mentioned.

J. G. CARLISLE,
Secretary of the Treasury.

Mark envelope: "Proposal for four per cent bonds."

SUBSCRIPTIONS TO FOUR PER CENT BONDS.

[1896. Department Circular No. 6. Division of loans and currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 9, 1896.

In subscribing for the new four per cent bonds under the circular of January 6, 1896, the annexed form should be followed. The blank may be detached, filled up, and addressed to the Secretary of the Treasury. The subscriber should state plainly the amount of bonds desired, the price which he proposes to pay, and the place where the bonds should be delivered, which may be the subscriber's home or any other more convenient place. He should at the same time state whether he desires to deposit the amount of his subscription at the Treasury Department in the city of Washington, or at one of the following subtreasuries, viz: New York, Boston, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, New Orleans, or San Francisco. Deposits at San Francisco must be with exchange on New York.

The bonds will be issued in the following denominations, viz: Coupon bonds, \$50, \$100, \$500, and \$1,000; registered bonds, \$50, \$100, \$500, \$1,000, \$5,000, and \$10,000.

Subscribers should, if practicable, state in their proposals the denominations of the bonds desired and whether they should be coupon or registered; but if at the time of offering the subscription the kind and denomination of the bonds desired can not be stated, the subscriber may defer giving that information until he is notified that his proposal is accepted.

Gold certificates will be received the same as gold coin in payment of subscriptions, but no payment should be made by any subscriber until he has been notified by the Secretary that his subscription has been accepted.

Additional copies of the annexed form of proposal may be had upon application to the Secretary of the Treasury.

J. G. CARLISLE,
Secretary of the Treasury.

Envelopes should be plainly marked: "Proposals for four per cent bonds."

I hereby propose, under the terms of your circular of January 6, 1896, to purchase United States 4 per cent thirty-year bonds described in said circular, of the face value of _____ dollars, and I agree to pay therefor at the rate of _____ and accrued interest per \$100. I further agree, upon due notice of the acceptance of this subscription, to deposit the amount thereof in gold coin or gold certificates with the United States assistant treasurer at _____, in accordance with the terms of said circular.

I desire (registered or coupon) bonds, in denominations as stated below, and I wish them to be delivered to me at _____.

The SECRETARY OF THE TREASURY.

COUPON.		REGISTERED.	
50	\$.....	50	\$.....
100	\$.....	100	\$.....
500	\$.....	500	\$.....
1,000	\$.....	1,000	\$.....
		5,000	\$.....
		10,000	\$.....

Prices upon February 1, 1896, of United States 4 per cent bonds, maturing February 1, 1925, corresponding to certain realized rates of interest to the investor.

2½ per cent	130.8749	3½ per cent	109.0856
2¼ per cent	124.9234	3¼ per cent	107.8900
3 per cent	119.3229	3⅜ per cent	106.7121
3⅛ per cent	117.9749	3⅜ per cent	105.5516
3⅜ per cent	116.6471	3¾ per cent	104.4082
3⅜ per cent	115.3391	3⅜ per cent	103.2816
3½ per cent	114.0506	3⅜ per cent	102.1716
3⅜ per cent	112.7814	3⅜ per cent	101.0778
3⅜ per cent	111.5310	4 per cent	100.0000
3⅜ per cent	110.2992		

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 10, 1896.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
Washington, D. C., January 13, 1896.

SIR: Some days since, at the request of the Secretary of the Treasury, I caused to be forwarded to you circulars inviting proposals for the 4 per cent bonds soon to be issued by the Government. In order that offers for the same may be made more intelligently by those desiring to bid, there has been prepared by the Treasury Department the inclosed statement, exhibiting the prices to be paid for the bonds in order to return to the investor certain rates of interest in said statement mentioned. It is the desire of the Government that these bonds be distributed as widely as possible, and as they are of a character which affords to national banks especially desiring to obtain circulation thereon a long-time investment, your attention is called to them, both as to this particular feature and that of the general character of the investment.

It is suggested that the national banks can materially aid the Government in popularizing this loan by calling the attention of their patrons to the desirability of it as an investment, and in stimulating subscriptions thereto. It is earnestly requested that you explain to your patrons in detail the manner of making bids and the terms thereof, thus giving them the fullest information upon the subject. In this manner it is believed that many of our people who might otherwise feel indifferent to such investment would see the advantage attached to it and wish to participate therein.

Very respectfully,

JAMES H. ECKELS, *Comptroller.*

ADDITIONAL CIRCULAR.

SUBSCRIPTION OF FOUR PER CENT BONDS.

[1896. Department Circular No. 12. Division of loans and currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 15, 1896.

Treasury Circular (No. 3, 1896), dated January 6, 1896, inviting proposals for the purchase of one hundred million dollars (\$100,000,000) of United States four per cent bonds, is hereby so modified that, after the payment of the first installment of twenty per cent with accrued interest, as required in said circular, the remainder of the amounts bid may be paid in installments of ten per cent (10 per cent) each and accrued interest, at the end of each fifteen days thereafter; but all accepted bidders

may pay the whole amount of their bids at the time of the first installment, and all accepted bidders, who have paid all installments previously maturing may pay the whole amount of their bids at any time not later than the maturity of the last installment.

Accepted bidders who pay the whole amount at the time of the first installment, or at any date thereafter, as above provided, will be entitled to receive, at the date of the payment, the whole amount of bonds awarded to them, and accepted bidders who pay by installments will be entitled to receive at the dates of such payments the amount of bonds paid for.

J. G. CARLISLE,
Secretary of the Treasury.

I hereby propose, under the terms of your circular of January 6, 1896, to purchase United States 4 per cent thirty-year bonds described in said circular, of the face value of _____ dollars, and I agree to pay therefor at the rate of _____ and accrued interest per \$100. I further agree upon due notice of the acceptance of this subscription to deposit the amount thereof in gold coin or gold certificates with the United States assistant treasurer at _____, in accordance with the terms of said circular.

I desire (registered or coupon) bonds, in denominations as stated below, and I wish them to be delivered to me at _____.

The SECRETARY OF THE TREASURY.

COUPON.		REGISTERED.	
50	\$.....	50	\$.....
100	\$.....	100	\$.....
500	\$.....	500	\$.....
1,000	\$.....	1,000	\$.....
		5,000	\$.....
		10,000	\$.....

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., _____, 1896.

You are hereby notified that your subscription, under the terms of the Department circulars of January 6, January 9, and January 15, 1896, for \$_____ of the 4 per cent bonds of the United States, for which you have agreed to pay in United States gold coin or gold certificates, at the office of the assistant treasurer in the city of _____, at the rate of \$_____ and accrued interest per \$100 face value of said bonds, has been accepted.

You are therefore requested to deposit with the U. S. assistant treasurer at _____ on or before the 15th day of February, 1896, the sum of \$_____, which is 20 per cent of the amount of your subscription at the price above named. The accrued interest from February 1, 1896, to date of the payment hereby requested should also be paid, at the rate of 4 per cent on the amount of the bonds paid for by said deposit. At the expiration of fifteen days from the date of this first payment an additional payment of 10 per cent must be made, and such payments must be continued at intervals of fifteen days until the whole amount is paid. The accrued interest accompanying each payment must be computed from February 1, 1896, to date of such payment. If you desire to pay the entire amount of your subscription at once, you may do so, or you may anticipate the total payment of your subscription at any time prior to the maturing of the last installment. In the former case, the amount to be deposited is \$_____, with accrued interest at 4 per cent on \$_____ from February 1, 1896, to date of deposit.

The Secretary of the Treasury should be promptly advised of the character of the bonds desired (whether registered or coupon), and the denominations thereof. If this information has already been furnished, please confirm it.

The bonds will be issued only upon receipt by the Secretary of the original certificate of deposit of the assistant treasurer receiving the payments. The Department is prepared to begin the delivery of the bonds at once, and deliveries will be continued as rapidly as the facilities of the Department will permit.

Respectfully, yours,

J. G. CARLISLE, *Secretary.*

Senate Document No. 221, Fifty-fourth Congress, first session.

APRIL 20, 1896.—Laid on the table and ordered to be printed.

The PRESIDENT PRO TEMPORE presented the following
**LETTER FROM THE SECRETARY OF THE TREASURY, IN RESPONSE
TO SENATE RESOLUTION OF FEBRUARY 6, 1896, DIRECTING
THE SECRETARY OF THE TREASURY TO TRANSMIT TO THE
SENATE A STATEMENT OF THE BIDS FOR THE BONDS RECENTLY
ADVERTISED FOR SALE BY HIM AND OPENED ON FEBRUARY
5, 1896, GIVING THE NAMES AND RESIDENCES OF THE BIDDERS,
ETC.**

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., April 18, 1896.

SIR: I have the honor to acknowledge the receipt of Senate resolution dated the 6th of February last, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed at his earliest convenience to transmit to the Senate a statement of the bids for the bonds recently advertised for sale by him and opened on the 5th instant, giving the names and residences of the bidders, the amounts bid, and any other detailed information which may be desirable for a proper understanding of said bids.

In response thereto I have caused to be prepared and printed the tables inclosed herewith, showing (1) the name and residence of each bidder whose bid was received on or before February 5, 1896, at noon, the amount of his bid, and the price offered; (2) the distribution of bids by States; (3) bids which were accepted; (4) the amount of bids at each price below 110.6877, which was the lowest price at which any of the bonds were sold; and (5) the amount of bids at each price from 110.6877 up.

The table first mentioned was prepared by the printers from the original schedules, and contains the name of each bidder in the order in which his bid was opened and numbered by the committee appointed to receive and schedule the bids. Nothing is omitted in the table which appeared in the original schedule, and nothing has been added to the schedule since the committee reported thereon to the Secretary, except that the bids and the schedule have been carefully compared for the purpose of perfecting addresses and correcting minor errors in spelling of names, etc.

The table of accepted bidders contains the names of all those who have made payments as required by the circulars of January 6 and 15, with a footnote giving the names of ten other bidders whose bids were originally accepted but who failed to make the first payment at the time specified. The bid of Messrs. J. P. Morgan & Co. and their associates for the entire loan of \$100,000,000 at 110.6877 was accepted in part, the amount allotted that firm being the remainder of the loan after accepting in full all bids at a higher price. The amount so allotted was originally \$33,179,850, which was increased by the amounts forfeited by the ten bidders above mentioned.

All the bidders who made the first payment at or before the specified time have since either paid the remaining installments as they fell due or have anticipated one or more of them, while many paid in full at the time of the first payment.

The aggregate amount of payments made to and including April 15, 1896, was \$96,978,050, face value of the bonds, with the proper amounts of premium and accrued interest, the amount of principal and premium being \$107,777,826.86. The amount of bonds issued and delivered up to and including that date was \$93,698,100. The denomination of the bonds issued is as follows:

Denomination.	Number of bonds.	Amount.
Coupon:		
\$50.....	1,344	\$67,200
\$100.....	2,503	250,300
\$500.....	1,834	917,000
\$1,000.....	56,361	56,361,000
Registered:		
\$50.....	190	9,500
\$100.....	721	72,100
\$500.....	480	240,000
\$1,000.....	3,151	3,151,000
\$5,000.....	304	1,520,000
\$10,000.....	3,111	31,110,000
Total.....		93,698,100

The proceeds of the loan are \$111,166,232.65, and the average price realized is therefore a little less than \$111.17 for each \$100 of the bonds sold.

Besides the tables above mentioned I herewith inclose copies of the circulars of January 6, 9, and 15, a copy of the form of bid supplied to applicants, and of Department's letter of acceptance to successful bidders; also a copy of the table prepared by the Government actuary, showing the prices at which the bonds should sell in order to realize certain rates of interest to the investors.

It has been impracticable to make an earlier reply to the Senate resolution, owing to the pressure of work in the Division of Loans and Currency of this office in connection with the issue of the new bonds. In the absence of provision for an extra force of clerks, the work of preparing the tables has been of necessity performed by the regular clerks of that division, with such occasional assistance as could be given by other offices.

Respectfully, yours,

J. G. CARLISLE, *Secretary.*

The PRESIDENT OF THE SENATE.

TABLE No. 1.

SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925.

IN PURSUANCE OF DEPARTMENT CIRCULARS OF JANUARY 6, 9, AND 15, 1896.

No.	Subscriber.	Residence.	Total.	Price.
1	J. R. Hawkins	Mountainville, N. Y.	\$600	110
2	Miss Jenerense Menret	425 Chestnut street, Chicago, Ill.	600	105
3	B. F. Mathews	Forked River, N. J.	300	100
4	Second National Bank	Cooperstown, N. Y.	20,000	108
5	John Hall & Co. (for customer)	Fort Ann, N. Y.	500	105
6	James L. Clark, cashier Sidney National Bank	Sidney, N. Y.	1,000	108
7	Jennie Waldmann	207 State street, Chicago, Ill.	100	110
8	State National Bank	Cleveland, Ohio	100,000	109.06
9	First National Bank	White Pigeon, Mich.	5,000	100
10	M. E. Hull	631 Fulton street, Chicago, Ill.	200	100
11	H. Clagett	Centerville, Tenn.	1,000	119.3229
12	Joseph T. Smith, jr.	1010 Madison avenue, Baltimore, Md.	50	108
13	Union National Bank of Macomb	Macomb, Ill.	30,000	111.50
14	Mrs. Edward D. Dunlop	Brooklyn, N. Y.	50	100
15	H. K. Fulton	Washington, D. C.	500	105
16	Mrs. Emma Blum	24 West One hundred and nineteenth street, New York	1,000	105
17	H. B. Lowden	283 South Leavitt street, Chicago, Ill.	250	105
18	George Edinger	Glenwood Springs, Colo.	20,000	90
19	John L. Farwell, jr.	Claremont, N. H.	100	120
20	F. G. Eaton (for Mrs. E. K. Schwinn)	809 Jackson Boulevard, Chicago, Ill.	1,500	101
20	F. G. Eaton (for Maria S. Eaton)	do	1,500	101
21	Robert P. Lee	115 Broadway, New York	1,000	110
22	Shamokin Banking Co.	Shamokin, Pa.	30,000	110
23	Loan and Savings Bank	Charlotte, N. C.	5,000	110
24	P. M. Robinson	West Union, W. Va.	1,000	112
25	W. F. Decker	913 Guaranty Loan Building, Minneapolis, Minn.	500	114.286
26	Bank of Commerce	Chanute, Kans.	1,000	115
27	Henry D. Shute	Pittsburg, Pa.	100	112
28	W. R. Brown	Passaic, N. J.	100	120
29	Henry Eipert	222 Bowery, New York	100	110.1
30	Horace K. Fulton	Washington, D. C.	3,200	105
31	Mrs. Drusilla C. Hess	Linden Hall, Pa.	200	100
32	Henry Lang	New York	250	107
33	John H. Rieger	do	1,000	108
34	Mary Underwood Williams	2044 Ridge avenue, Philadelphia, Pa.	1,000	108
35	Stephen H. Emmens	128 Washington Building, New York	1,000,000	105
36	Wm. G. Law	New York	5,000	110
37	William Wiesenberger	do	20,000	112
38	Mary E. Auck	Philadelphia, Pa.	700	105

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
39	Richard D. Brown	New York	\$200	110
40	S. Gutwillig	do	50,000	107
41	Elizabeth Paxson Reinhart	Philadelphia, Pa.	10,000	100
42	David Grotta	Newark, N. J.	1,000	100
43	Gustavus Balser	New York	3,000	104
44	Isaac Cohen	Philadelphia, Pa.	500	107
45	Mrs. Bertha Eckstein	New York	5,000	100
46	Josephine Watt	Philadelphia, Pa.	2,000	108
47	F. W. Childs	Brattleboro, Vt.	200	112
48	Jacob Steinbach	Long Branch, N. J.	1,000	110
49	W. T. McCue	Staunton, Va.	500	110
50	Camden Safe Deposit and Trust Co.	Camden, N. J.	25,000	110.50
50	do	do	25,000	111
50	do	do	25,000	111.50
50	do	do	25,000	112
51	Edwin L. Meyers	New York	10,000	105
52	Gertrude A. Reinhart	Philadelphia, Pa.	2,200	104
53	William S. Hills	New York	10,000	109
54	P. B. Felts	Potomac, N. C.	50	120
55	Penn National Bank	Reading, Pa.	50,000	110
56	Union Five Cent Savings Bank	Exeter, N. H.	600	108
57	Fourth National Bank	Cadiz, Ohio	10,000	112
58	James G. Kline	Pluckemin, N. J.	3,000	100
59	William Henry	Indianapolis, Ind.	4,000	100
60	Minna Herz	Brooklyn, N. Y.	1,600	108
61	George Wilson	New York	5,000	114
62	Edwin E. Crebs	Fairfield, Ill.	10,000	108
63	Joseph H. Fink	New York	1,000	109
64	D. S. Lyman	Cincinnati, Ohio	25,000	100
65	People's Bank	Buffalo, N. Y.	25,000	107.50
66	Stephen J. Hanna	Rock Springs, Md.	200	110
67	Joseph E. Miller	Philadelphia, Pa.	50	108
68	William Harmon	St. Louis, Mo.	1,400	106
69	M. V. B. Elson	Freeport, Ill.	3,000	107
70	J. S. Smith	St. Louis, Mo.	10,000	104
71	Henry Bartholomay	Rochester, N. Y.	100,000	106
72	Henry J. Weil	Boston, Mass.	10,000	108
73	Henry C. Levi	Chicago, Ill.	50,000	109.0856
74	Miss Belle E. Gilbert	2913 Easton avenue, St. Louis, Mo.		
75	National Exchange Bank	Boston, Mass.	300,000	110.25
76	Aurora National Bank	Aurora, Ill.	25,000	109.0856
77	Harrison National Bank	Cadiz, Ohio	25,000	112
78	First National Bank	Arlington, Mass.	12,500	110.30
79	Job M. Leonard	394 Highland avenue, Fall River, Mass.	10,000	108
80	K. Wood	1409 Monadnock Building, Chicago, Ill.	500	110

81	Bank of Ainsworth.....	Ainsworth, Nebr.....	1,000	100
82	Arthur P. Howard.....	New York.....	50	114
83	Maine Savings Bank.....	Portland, Me.....	150,000	110
84	M. M. Keller.....	Cambridge, Iowa.....	100	106
85	Robt. E. Glendining.....	Philadelphia, Pa.....	500,000	112.75
86	Louis Schraidt.....	528 East One hundred and twentieth street, New York.....	300	110
87	Mrs. R. Summerfield.....	Danville, Va.....	20,000	105
88	Central Savings Bank.....	St. Joseph, Mo.....	10,000	110
89	First National Bank.....	Bloomsburg, Pa.....	5,000	111
90	First National Bank.....	Arlington, Mass.....	5,000	111.50
90	do.....	do.....	5,000	112
90	do.....	do.....	5,000	112.50
90	do.....	do.....	200	102
91	Wm. D. Niles, jr.....	Necedah, Wis.....	1,000	100
92	Bank of Commerce.....	Chanute, Kans.....	100	113.89
93	Eugene Davis.....	Springhill, Kans.....	1,000	100
94	Bank of Durand.....	Durand, Wis.....	10,000	100
95	R. C. Hazelef.....	Leitchfield, Ky.....	100	119.3229
96	B. F. Welty.....	Alma, Mich.....	10,000	110
97	Ashuelot National Bank.....	Keene, N. H.....	4,400	106
98	Jas. L. Taylor.....	Portsmouth, Ohio.....	5,000	110
99	Waldly & Clay's State Bank.....	Adrian, Mich.....	5,000	105.50
100	Bucks County Trust Co.....	Doylestown, Pa.....	500,000	111
101	Williamsburgh Savings Bank.....	Brooklyn, N. Y.....	450	110
102	Oscar F. Allen.....	Cambridge, Mass.....	25,000	107
103	Patchogue Bank.....	Patchogue, N. Y.....	3,500	112
104	Mrs. B. Epstein.....	New York.....	200	110
105	Emily A. Rand.....	944 Paulding street, Peekskill, N. Y.....	200	100
106	Jacob Kenney.....	Downingtown, Pa.....	100	108
107	Joanna S. Ryder.....	Middleboro, Mass.....	5,000	105
108	Tate County Bank.....	Senatobia, Miss.....	150	100
109	Anton Oudshoorn.....	1837 Indiana avenue, Chicago, Ill.....	1,000	110.50
110	Neodesha Savings Bank.....	Neodesha, Kans.....	500	106.50
111	William C. Learmont.....	56 East Kinzie street, Chicago, Ill.....	100,000	110
112	W. C. Mitchell.....	Denver, Colo.....	1,000	110
113	National Revere Bank.....	Boston, Mass.....	1,000	110
114	People's Bank.....	Houston, Va.....	5,000	100
115	Citizens' Bank.....	Dyersburg, Tenn.....	250	110
116	John M. Hagans.....	Morgantown, W. Va.....	1,000	100
117	Jefferson County Bank.....	Oskaloosa, Kans.....	10,000	104.40
118	Citizens' Bank.....	Bedford, Ind.....	25,000	103
119	Johnstown Bank.....	Johnstown, N. Y.....	450	115
120	William H. Terrell.....	Macon, Mo.....	500	103
121	Julius Schrotz, M. D.....	808 North Eighth street, Philadelphia, Pa.....	500	100
122	John M. Gardner.....	Edgar, Nebr.....	500	113
123	Mrs. J. Hoffmann.....	Chicago, Ill.....	5,000	107.50
124	H. C. Comstock.....	Hotel Mildred, Nelsonville, Ohio.....	300	108
125	Anna L. Aggers.....	St. Joe, Pa.....	10,000	101
126	Citizens' Savings and Commercial Bank.....	Denver, Colo.....	2,000	105.75
127	Jonas Fishel.....	Riverhead, Long Island.....	10,000	112
128	Stoneham National Bank.....	Stoneham, Mass.....	50,000	100
129	First National Bank.....	Killingly, Conn.....		

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
130	State Bank.....	Crawford, Nebr.....	\$10,000	90
131	Annie McFetridge.....	1502 Christian street, Philadelphia, Pa.....	500	100
132	Elizabeth McFetridge.....	do.....	500	100
133	Martha McFetridge.....	do.....	500	100
134	Amelia E. Mort.....	2201 Spring Garden street, Philadelphia, Pa.....	2,000	102
135	Robert H. Petry.....	653 Lee street, Baltimore, Md.....	300	109
136	A. Walton Fleming.....	Washington, D. C.....	50	120
137	Mary E. Fleming.....	do.....	200	120
138	Otto A. Stoll.....	Detroit, Mich.....	50	120
139	H. L. Turner.....	Falls Church, Va.....	100	110
140	Benney National Bank.....	Birmingham, Ala.....	50,000	109.50
141	Edgar B. Wanan.....	134 Summer street, Boston, Mass.....	1,000	110
142	Hawley C. White.....	North Bennington, Vt.....	5,550	108
143	Ellen Ryan.....	Brooklyn, N. Y.....	300	117
144	Leo Jessel.....	Indianapolis, Ind.....	5,000	106
145	Victor S. Sobel.....	Nashville, Tenn.....	2,000	119.3229
146	Victor Weichmann.....	61 East One Hundred and thirty-second street, New York.....	(a)	.....
147	Mrs. Rosetta S. Hall, M. D.....	Liberty, N. Y.....	1,050	(b)
148	J. M. Weinstock.....	881 Eighth avenue, New York.....	200	100
149	Moore & Eves.....	Washington, Kans.....	1,000	100
150	Citizens' National Bank.....	Ripley, Ohio.....	5,000	107.50
151	do.....	do.....	2,000	105
152	Iowa State Savings Bank.....	Fairfield, Iowa.....	10,000	110
153	E. H. Friedlander.....	306 Callowhill street, Philadelphia, Pa.....	800	109
154	George R. Wells.....	Fields, Va.....	1,000	104
155	Emanuel Neuman.....	New York.....	200	112
156	B. P. Waggener.....	Atchison, Kans.....	20,000	110
157	State Bank.....	Foxlake, Wis.....	4,000	109
158	A. N. Behn.....	Red Wing, Minn.....	1,000	109.0856
159	Orson W. Munsell.....	Des Moines, Iowa.....	500	100
160	V. J. King.....	Easthampton, Mass.....	200	108
161	Bank of Holland.....	Holland, N. Y.....	1,000	109.10
162	Peter B. Rendall.....	162 Bowers street, Jersey City, N. J.....	1,000	110.18
163	do.....	do.....	5,000	108.18
164	Manistee National Bank.....	Manistee, Mich.....	45,000	105.5516
165	Joseph Withington.....	Mattoon, Ill.....	100	116
166	J. W. Shrader.....	do.....	6100	130
167	Stedman Thomas, manager Dairymen's Bank.....	Sheboygan Falls, Wis.....	5,000	100
168	Mrs. Matilda E. Christine.....	125 South Buckeye street, Wooster, Ohio.....	1,000	100.06
169	Esther Myers Andrews.....	600 West End avenue, New York.....	5,000	(d)
170	G. W. Wells.....	Farmington, Minn.....	50	107.50
171	Central National Bank.....	Greencastle, Ind.....	25,000	109
172	C. N. Gaumer.....	Mansfield, Ohio.....	5,000	109.0856
173	Atchison National Bank.....	Atchison, Kans.....	50,000	104.50
174	L. L. Lostutter.....	Iroquois, S. Dak.....	100	110

175	Rockport National Bank.....	Rockport, Mass.....	5,000	110
176	William F. Jones.....	Wellsville, N. Y.....	10,000	110.10
177	N. C. Elting.....	Florence, Ala.....	100,000	105
178	R. F. Smith.....	1010 Madison avenue, Baltimore, Md.....	200	108
179	Welden National Bank.....	St. Albans, Vt.....	25,000	110
180	First National Bank.....	Paris, Ill.....	2,000	110
181	do.....	Newcastle, Pa.....	75,000	109.34
182	J. F. Weber.....	4 Stowe street, New York.....	1,000	107
183	Miners' Savings Bank.....	Wilkesbarre, Pa.....	10,100	107
184	First National Bank.....	Tonawanda, N. Y.....	100,000	105
185	Emerson Cole.....	Minneapolis, Minn.....	1,230	115
186	Chas. H. Foster.....	303 Monadnock Building, Chicago, Ill.....	1,000	108
187	Detroit National Bank.....	Detroit, Mich.....	100,000	110.2992
188	Bank of Huntington.....	Huntington, N. Y.....	5,000	110
189	Adrian H. Jackson.....	New York.....	5,000	114
190	Stephen S. Brown <i>d</i>	Heshbon, Pa.....	300	110
191	Thomas Hopkins.....	Pottsville, Pa.....	3,000	104
192	Bank of Wessington.....	Wessington, S. Dak.....	500	100
193	Lewis Feldman.....	Richmond, Ohio.....	4,500	110.50
194	William L. Dicks.....	6 Olive street, St. Louis, Mo.....	800	106
195	Agnes Louise Bick, trustee.....	294 West street north, Indianapolis, Ind.....	1,200	100
196	Miss Maggie Quinn.....	Cliff House, Manitou, Colo.....	400	101.01
197	S. H. Templeton.....	Baldwin, Pa.....	200	108
198	C. Haase.....	Washburn, Ill.....	100	115
199	André Bisson.....	Chicago, Ill.....	500	104
200	Edward F. Cate.....	Wolfboro, N. H.....	5,000	110.16
201	F. J. Alverson.....	Chicago, Ill.....	50	105
202	Joseph F. Greenough.....	Care of Kidder, Peabody & Co., Boston, Mass.....	10,000	100
203	Suffolk Savings Bank for Seamen.....	Boston, Mass.....	200,000	111.50
204	Emanuel Hinderer.....	Frederick, Ill.....	300	105
205	Robert B. Mills.....	Lake Preston, S. Dak.....	100	100
206	P. T. Chapman.....	Vienna, Ill.....	5,000	104
207	Hartley State Bank.....	Chicago, Ill.....	500	100
208	Edgar B. Warren.....	134 Summer street, Boston, Mass.....	4,000	110
209	Minnie Doerr.....	142½ North Clark street, Chicago, Ill.....	500	113
210	Merchants and Clerks' Savings Bank Co.....	Toledo, Ohio.....	50,000	100
211	Anna M. Thorpe.....	Schuylerville, N. Y.....	1,000	110
211	Josephine E. Thorpe.....	do.....	600	110
212	Laclede County Bank.....	Lebanon, Mo.....	7,000	109.0856
213	Greene County Bank.....	Paragould, Ark.....	1,000	110
214	Robert A. Woods.....	436 Pennsylvania avenue, Pittsburg, Pa.....	700	110
215	Bank of Columbia Falls.....	Columbia Falls, Mont.....	500	100
216	Bank of Jonesboro.....	Jonesboro, Ark.....	10,000	100
217	Mary Florence Gorter.....	1127 Chestnut street, Evansville, Ind.....	1,500	114.0506
218	Emanuel Hinderer.....	Frederick, Ill.....	300	110
219	A. B. Morgan.....	Malden, Mass.....	3,000	109
220	Ulrich Savings Bank.....	Mount Clemens, Mich.....	5,000	100
221	George B. Baker.....	33 South street, Baltimore, Md.....	10,000	112.50
222	Thomas Torpey.....	433 Fifth avenue, Leavenworth, Kans.....	1,000	112.50
223	Mercantile Trust Co.....	120 Broadway, New York City.....	15,000	103

d Conditional.

c Wants No. 1 \$50 registered and No. 1 \$50 coupon.

b No price.

a See No. 257.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
224	West Branch National Bank	Williamsport, Pa	\$50,000	105
225	Aurora National Bank	Aurora, Ill.	25,000	109.0856
226	Albert L. Judson	Albany, N. Y.	500,000	113.75
227	John D. Hill	Homer, Ga.	200	105
228	Joseph M. Brady	1139 South Seventh street, Philadelphia, Pa.	2,500	110
229	F. Giesenhaus	Muscatine, Iowa	5,000	105
230	Mrs. Ella Delana	Cortland, Ill.	1,500	110
231	Mary E. McKenna	Austin, Minn.	10,000	100
232	J. C. Hume	Iola, Wis.	1,500	100
233	Charles A. Marcy	Winoona, Minn.	100	100
234	Elizabeth F. Fanen	Doylestown, Pa.	10,000	107
235	William S. Righter	Room 730, Prudential Building, Newark, N. J.	4,000	108
236	Trenton Banking Co.	Trenton, N. J.	30,000	114
237	Second National Bank	Titusville, Pa.	9,000	108
238	do	do	9,000	110
239	C. M. Wolf	Hanover, Pa.	200	102.50
240	J. S. Wood	Vernon, Tex.	50	114
241	A. J. Hathaway	Otsdawa, N. Y.	500	100
242	Marshall National Bank	Marshall, Tex.	12,500	100
243	Nahum B. Grant	South Hancock, Me.	200	110
244	E. G. Kuszeverer	690 Lincoln avenue, Chicago, Ill.	50	115
245	Edward Barnes	92 West Eighty-ninth street, New York City.	50	110
246	Henry E. Rhoades	141 South Second avenue, Mount Vernon, N. Y.	1,000	100
247	Second National Bank	Cooperstown, N. Y.	30,000	112
248	do	do	30,000	110
249	Gertrude A. Reinhart	1533 North Broad street, Philadelphia, Pa.	2,200	100
250	The National Bank of Troy	Troy, N. Y.	150,000	110.25
251	Third National Bank	Louisville, Ky.	20,000	112
252	Shelby County State Bank	Shelbyville, Ill.	5,000	105
253	George C. Paine	Aberdeen, Miss.	200	115
254	Merchants' Laclede National Bank	St. Louis, Mo.	100,000	109.0856
255	Jared Huxley	Youngstown, Ohio.	10,000	105
256	Citizens' Bank	Salem, Ind.	7,000	104.4082
257	Victor Wiechmann	61 East One hundred and thirty-second street, New York	3,550	110
258	Anna M. Sparks	Philadelphia, Pa.	3,000	109
259	North Dakota Bank	Churchs Ferry, N. Dak.	2,000	100
260	T. M. Joslin	Bismarck, N. Dak.	5,000	109.0856
261	A. Miersen	Placerville, Cal.	10,000	105
262	Robert Forrest	Troy, N. Y.	500	108
263	Hervey B. Jones	232 Rodney street, Brooklyn, N. Y.	100	108
264	Elmer R. Webster	Pontiac, Mich.	50	100
265	N. L. Candee	506 Pullman Building, Chicago, Ill.	500	101
266	Robert Wallace	26 South Fifteenth street, Philadelphia, Pa.	100	105
267	G. H. Bradford	St. Clair County, Ill.	350	108
268	Nelson F. Jenison	Lansing, Mich.	15,000	100.50

269	J. R. Ainslie	Room 305 Grand Central Passenger Station, Chicago, Ill	500	110
270	Farmers' National Bank	Pennsburg, Pa	10,000	112
271	First National Bank	Fairfield, Ill	10,000	109
272	do	Dickinson, N. Dak	25,000	110
273	Nicholas Murphy	Apple River, Ill	1,000	117
274	First National Bank	Litchfield, Ill	15,000	112
275	Tradesmen's National Bank	Conshohocken, Pa	10,000	110
276	Lynchburg National Bank	Lynchburg, Va	25,000	109.50
277	Mutual National Bank	Troy, N. Y	50,000	110
278	Catherine A. Brainerd	Portland, Conn	500	108
279	Corinne L. Brainerd	do	500	108
280	Isaac Gelder	1526 Michigan avenue, Chicago, Ill	3,500	106
281	First National Bank	Greencastle, Pa	1,500	116
282	L. H. W. Ernest	Swanwick, Ill	1,000	102
283	Arthur B. Wells	Chicago, Ill	350	113.75
284	M. Wesendorf	1065 William street, Elizabeth, N. J	900	100
285	People's National Bank	Brooklyn, N. Y	15,000	104.4082
286	Springfield National Bank	Springfield, Mass	25,000	110.2992
287	Bank of Warren County	Warrenton, Mo	5,000	105
288	Merchants and Farmers' Bank	Macon, Miss	16,000	109.50
289	New England Safe Deposit and Trust Co	Kansas City, Mo	10,000	110
290	First National Bank	Manhattan, Kans	10,000	112
291	Amos C. Stibbins	Novelty, Mo	2,000	105
292	Joseph H. Reilley	1414 South Penn square, Philadelphia, Pa	2,000	101.10
293	State National Bank	Cleveland, Ohio	100,000	112.80
294	John Carnock	114 Fourth avenue, Brooklyn, N. Y	5,000	110
295	Fire Association of Philadelphia	Philadelphia, Pa	100,000	110
296	American Mechanics' Funeral Benefit Association	do	10,000	112.7814
297	Phillipsburg National Bank	Phillipsburg, N. J	26,000	109.0856
298	John O. Melby & Co	Whitehall, Wis	2,000	104.4082
299	State Bank of Cokato	Cokato, Minn	1,000	104
300	Thomas Hickey	11 Murray street, Wakefield, Mass	100	110
301	First National Bank	Perry, Iowa	7,000	100
302	W. W. Funge, jr	San Francisco, Cal	1,000	114
303	People's Bank	Wilkesbarre, Pa	20,000	112.7814
303	do	do	15,000	111.5310
304	First National Bank of Pittston	Pittston, Pa	100,000	106.7121
305	Valentine Brill	Brutus Post-Office, Emmet County, Mich	1,300	105
306	The Littleton National Bank	Littleton, N. H	2,500	112
307	Thomas E. Riley	Erin, St. Croix County, Wis	1,000	100
308	E. A. Monaghan	Lockhaven, Pa	20,000	108
309	Quakertown National Bank	Quakertown, Pa	20,000	109.0856
310	Newton E. Stout	25 Broad street, New York	100	108.25
311	John Greenleaf	Wiscasset, Me	300	112
312	Martin Wortmann	126 East Seventy-ninth street, New York	400	108
313	W. B. Bell	Elkin, N. C	100	105
314	George P. Deshler	McConnellsville, Ohio	1,200	111
315	Charles P. Hallock	2079 Bathgate avenue, New York	500	110
316	do	do	500	108.0625
317	The Burlington County Safe Deposit and Trust Co	Moorestown, N. J	25,000	109.0856
318	Livingston & Co	206-208 Davis street, San Francisco, Cal	20,000	109.07
319	Moorestown National Bank	Moorestown, N. J	10,000	109.0856

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
320	Eisner & Mendelson Company.....	152 Franklin street, New York.....	\$25,000	105
321	Bank of Sheboygan.....	Sheboygan, Wis.....	40,000	100
322	E. T. Webb.....	Webb City, Jasper County, Mo.....	10,000	104
323	John F. Moore.....	Baltimore, Md.....	500	110
324	J. Tauber.....	Eau Claire, Wis.....	1,500	108
325	Michael Tito.....	San Antonio, Tex.....	250	119.3329
326	Exchange Bank of Yarmouth.....	Yarmouth, Nova Scotia.....	10,000	106.50
327	First National Bank of Mechanicsburg.....	Mechanicsburg, Pa.....	10,000	109.0856
328	do.....	do.....	10,000	110.2992
329	(No name).....	Peru, Miami County, Ind.....	3,000	108
330	Calvin Cain.....	216 Fourteenth street, Washington, D. C.....	50	114
331	F. Siegel.....	205 Bedford avenue, Brooklyn, N. Y.....	100	100
332	National Bank of Chester County.....	West Chester, Pa.....	20,000	109.50
333	Agnes C. Urann.....	Dover, Me.....	50	106
334	Merchants National Bank.....	Jacksonville, Fla.....	1,000	110
335	The Parkersburg National Bank.....	Parkersburg, W. Va.....	2,000	112
336	Samuel Lawson.....	161 Levering street, Manayunk, Philadelphia, Pa.....	100	103
337	Adelaide Lawson.....	do.....	200	103
338	Perth Amboy Savings Institution.....	Perth Amboy, N. J.....	10,000	110
339	Arthur J. Stevens.....	Chicago, Ill.....	100	112.50
340	Kalamazoo County Bank.....	Schoolcraft, Mich.....	1,500	112
341	G. W. Mayer.....	Bradfield, Wis.....	150	100
342	Lorenzo Rank.....	Aurora, Ill.....	1,000	112
343	First National Bank of Buchanan County.....	St. Joseph, Mo.....	3,000	110.50
344	John G. Mooney.....	Bangor, Me.....	2,500	111
345	do.....	do.....	2,500	113
346	First National Bank.....	Perry, Iowa.....	7,000	100
347	First National Bank of McGregor.....	McGregor, Iowa.....	10,000	110
348	Louis H. Ericson.....	405 Central avenue, Minneapolis, Minn.....	650	106
349	Albert W. Weatherbee.....	Danforth, Me.....	500	110
350	do.....	do.....	500	112
351	Union National Bank.....	Souderton, Pa.....	30,000	107.125
352	Silas E. Hurin, attorney for Ella P. Carnahan, guardian.....	Findlay, Ohio.....	600	109.0856
353	Robert L. Stevens.....	Vineland, N. J.....	1,500	104
354	N. L. Candee.....	506 Pullman Building, Chicago, Ill.....	50	110
355	do.....	do.....	50	106
356	do.....	do.....	50	109
357	do.....	do.....	50	107
358	do.....	do.....	50	108
359	Andrew Melgaard.....	Warren, Marshall County, Minn.....	50	105
360	First National Bank.....	Philipsburg, Pa.....	200	115
361	Sigmund Halburger.....	301 North Gay street, Baltimore, Md.....	50,000	110
362	J. P. Dennett.....	20 Beacon street, Boston, Mass.....	200	105
363	William Black.....	Philadelphia, Pa.....	500	110
			1,000	104

364	Joseph M. Hill.....	Gazil, W. Va.....	100	107
365	George W. Hoover.....	Crestline, Ohio.....	200	112.50
366	James H. Dehonty.....	Elwood, Ind.....	5,000	105
367	R. S. Harvey.....	Eldon, Mo.....	10,000	109.0856
368	(Not signed).....	Dallas, Tex.....	100	114.0506
369	First National Bank.....	Helena, Ark.....	10,000	114
370	Belleville Savings Bank.....	Belleville, Ill.....	50,000	110
371	L. B. Harris.....	Lyndonville, Vt.....	5,000	112.50
372	Theodore K. Long.....	329 Mercantile Block, Aurora, Ill.....	10,000	101
373	Pulaski National Bank.....	Pulaski, N. Y.....	10,000	110
374	The National Bank of Urbana.....	Urbana, Ohio.....	50,000	112
375	National Shoe and Leather Bank.....	Auburn, Me.....	25,000	112.03
376	Everett L. Smith.....	do.....	10,000	109.09
377	Herbert Kraft Company Bank.....	Red Bluff, Cal.....	10,000	104
378	Catlettsburg National Bank.....	Catlettsburg, Ky.....	a 15,000	112.125
379	Tradesmen's National Bank.....	Philadelphia, Pa.....	100,000	108.01
380	Shaw Piano Company.....	Erie, Pa.....	50	121
381	John Popielinski.....	1333 Pearl street, Philadelphia, Pa.....	100	100.10
382	Newburyport Five Cents Savings Bank.....	Newburyport, Mass.....	10,000	110.2992
383	H. H. Banks.....	Columbia, Mo.....	2,000	100
384	The Citizens' National Bank.....	Belle Plaine, Iowa.....	5,000	109
385	The Schenevus National Bank.....	Schenevus, N. Y.....	10,000	112
386	Highland County Bank.....	Greenfield, Ohio.....	5,000	110
387	The Cloud County Bank.....	Concordia, Kans.....	10,000	105
388	The First National Bank of North Baltimore.....	North Baltimore, Ohio.....	25,000	110
389	The Farmers' Bank.....	Williamsport, Ohio.....	3,000	109.0856
390	Greenwood's State Bank.....	Lake Mills, Wis.....	2,000	101
391	Andrew Fiske.....	10 Tremont street, Boston, Mass.....	50	110
392	State Bank of Medford.....	Medford, Wis.....	1,000	104
393	First National Bank of Albert Lea.....	Albert Lea, Minn.....	10,000	109.50
394	C. O. Nelson.....	Clifton, Tex.....	2,000	100
395	Anna Martin.....	114 College avenue, Lancaster, Pa.....	100	107.50
396	First National Bank of Albert Lea.....	Albert Lea, Minn.....	10,000	108.50
397	Hahne & Co. Employees Mutual Benefit Association.....	645 Broad street, Newark, N. J.....	1,000	110
398	Lewis G. Tewksbury.....	50 Broadway, New York.....	250,000	101.50
399	James J. Hanna.....	Liberty Grove, Md.....	400	110
400	Edward Azernenski.....	699 Noble street, Chicago, Ill.....	1,400	100
401	Amzi W. How.....	Harrodsburg, Ind.....	100	100
402	Claude C. Smallwood.....	do.....	100	116
403	N. L. Candee.....	506 Pullman Building, Chicago, Ill.....	50	110.50
404	do.....	do.....	50	109.50
405	do.....	do.....	100	108.50
406	John A. Burbank.....	Richmond, Ind.....	2,000	107.89
407	Matteawan National Bank.....	Matteawan, N. Y.....	2,500	112.7814
408	do.....	do.....	2,500	116.6471
409	Fidelity Mutual Life Association.....	Philadelphia, Pa.....	25,000	109.0856
410	J. W. Scriber, for Farmers and Traders' National Bank.....	Lagrande, Ore.....	5,000	106.7121
411	Mrs. Augusta Gruber.....	Downing, Wis.....	50	114
412	H. H. Shields.....	353 North Sandusky street, Tiffin, Ohio.....	250	109
413	Charles H. Cook, trustee.....	Philadelphia, Pa.....	1,000	112.7814

a Withdrawn.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
414	Thad M. Talcott	5154 Grand Boulevard, Chicago, Ill.	\$5,000	103
415	Julia N. Gould	Highland Park, Ill.	200	102
416	Cyril Sisteck	Suterville, Pa.	50	94
417	Marquette County Savings Bank	Marquette, Mich.	25,000	109.0856
418	Fredk. M. Speyer	San Francisco, Cal.	1,000	110
419	German Farmers' Mutual Fire Insurance Company	Omaha, Nebr.	4,000	107
420	William H. Lehr	2045 Wishart street, Philadelphia	800	110
421	John P. Dennett	Arlington, Mass	500	112
422	Andrew P. Foster	Woodland, Fla.	900	108
423	Bank of Warrensburg	Missouri	5,000	109.0856
424	E. B. Tustin	Bloomsburg, Pa.	2,300	110
425	William Strango	Kinsman, Ill.	250	100
426	Fredk. Lindlinger	45 Liberty street, New York	2,500	109.0856
427	Fred A. Wing, P. M.	East Mount Vernon, Me.	100	106
428	East Bridgewater Savings Bank	East Bridgewater, Mass	10,000	110
429	Albert Zebell	Milwaukee, Wis.	2,000	100
430	George C. Graeber, cashier for First National Bank	Shamokin, Pa.	50,000	112
431	Ward, Murray & Co.	San Saba, Tex.	10,000	106
432	H. H. Copeland	Douglas, Kans.	250	112
433	F. J. Brown	Los Angeles, Cal.	1,000	112
434	Jonas Struble	Monroe, N. J.	100	113
435	Charles Hansel	Easton, Pa.	1,500	112.7814
436	Albert N. Locke	Salem, Mass	5,000	(b)
437	Tobias Wagner	1618 John street, Cincinnati, Ohio	2,500	103
438	American Exchange Bank	Duluth, Minn.	3,000	103
439	Strother Hutten	Egypt, W. Va.	21,000	115
440	A. Bates	New Philadelphia, Ohio	10,000	110
441	Martin Thompson	Dunbar, Pa.	250	108
442	B. J. Ehuts	St. Louis, Mo.	500	109.0856
443	Samuel O. L. Potter, M. D.	Mills Building, San Francisco, Cal.	3,000	109.50
444	Citizens' Bank	Cannon Falls, Minn.	10,000	109.01
445	National Bank of Commerce	Minneapolis, Minn.	2,000	110
446	R. J. Morrison	2424 Garfield avenue, Minneapolis, Minn.	1,500	110
447	Austin W. Warr	Lewistown, Mont.	5,000	106.7121
448	Jos. F. Mitchell	Mobile, Ala.	4,000	107
449	Joseph Morris	New York	20,000	112
450	John Stich & Bro.	118 Third avenue, New York	10,000	115
451	William T. Den	Brownsville, Nebr.	5,500	111
452	Catharine Steiner	344 East Sixth street, New York	600	110
453	George Steiner	do	1,200	110
454	John A. Hall, trustee	Trenton, N. J.	2,200	112.25
455	William Barr	2413 Meredith street, Philadelphia, Pa.	1,000	100
456	Joseph B. Rorke	Reading, Pa.	5,000	101
457	John A. Hall	Trenton, N. J.	2,000	112.25
458	Mieczyslaw Barabaz	1634 Eastern avenue, Baltimore, Md.	2,500	104.4082

459	First National Bank.....	David City, Nebr.....	12,500	104
460	William Fordham.....	1349 Park avenue, Alameda, Cal.....	6,000	109
461	W. G. Saunders.....	Mount Pleasant, Iowa.....	1,000	119.3229
462	Alfred Denio.....	Girard, Pa.....	25,000	112.7814
463	Traders' National Bank.....	Lowell, Mass.....	50,000	109
464	T. S. Gardner.....	Litchfield, Ky.....	4,000	104
465	D. Noonan.....	Chico, Cal.....	500	115
466	People's National Bank of Roxbury.....	Boston, Mass.....	60,000	109
467	Randolph Tucker.....	1302-1304 East Main street, Richmond, Va.....	10,000	108
468	L. S. Tyler.....	Lanesville, Pa.....	1,000	110
469	City Savings Bank.....	Alliance, Ohio.....	6,000	109
470	South Side Bank.....	St. Louis, Mo.....	3,000	109.10
470	do.....	do.....	15,000	104.4082
470	do.....	do.....	10,000	109.10
470	do.....	do.....	25,000	110.30
471	John H. Noonan.....	Chico, Cal.....	2,500	110
472	W. C. Woodbury.....	Dover, Me.....	300	116.6471
473	Hattie Theobald.....	Richmond, Me.....	150	110
474	Mrs. Zerlina Froman.....	342 East Seventy-eighth street, New York.....	350	110
475	John F. Ruggles.....	West Burke, Vt.....	1,500	112
476	First National Bank.....	Herkimer, N. Y.....	25,000	112
477	Isidor H. Mayer.....	330 Pine street, San Francisco, Cal.....	30,000	107
478	Mrs. Sarah W. Pope.....	Navy-Yard, Mare Island, Cal.....	2,000	105
479	J. A. Waldo.....	Box 927, San Jose, Cal.....	1,000	106
480	Conway Savings Bank.....	Conway, Mass.....	1,000	110
481	Doering Bros.....	286 River street, Troy, N. Y.....	1,000	108
482	People's Bank.....	Lansingburg, N. Y.....	10,000	112.50
483	E. B. Tustin.....	Bloombsburg, Pa.....	25,000	107
484	Adolph Silberstein, grand secretary.....	New York.....	30,000	112
485	Fort Pitt National Bank.....	Pittsburg, Pa.....	25,000	109.0856
486	First National Bank.....	Ticonderoga, N. Y.....	10,000	110.25
487	Old National Bank.....	Whitehall, N. Y.....	10,000	110.50
488	H. G. Burleigh.....	do.....	10,000	109
489	Allen C. Sawyer.....	do.....	3,000	111
490	Jacob C. Myers.....	200 North Eighth street, Philadelphia, Pa.....	8,000	107.89
491	Phillips National Bank.....	Phillips, Me.....	12,500	111
491	do.....	do.....	12,500	112
492	Big Sandy National Bank.....	Catlettsburg, Ky.....	25,000	111
493	William L. Randall.....	1824 Hinman avenue, Chicago, Ill.....	3,000	105
494	Belknap Savings Bank.....	Laconia, N. H.....	1,000	113
495	John C. Deppen.....	Myerstown, Pa.....	250	114
496	Amsterdam City National Bank.....	Amsterdam, N. Y.....	40,000	103.7
497	First National Bank.....	Bloombsburg, Pa.....	20,000	111.80
498	First National Bank of Yarmouth.....	Yarmouthport, Mass.....	3,000	112
499	Ralph Wise.....	Otsego, Mich.....	750	115.67
500	J. H. Thompson.....	Farmington, Me.....	5,000	110.30
501	Arthur F. Belcher.....	do.....	1,000	112.50
502	First National Bank.....	do.....	6,000	110.30
503	Hannibal Russell.....	do.....	1,000	111
504	John Bennett.....	Sunman, Ind.....	500	106

a Wants to pay in bills.

b Lowest price accepted.

c Wants to pay in paper money.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
505	Jos. W. O'Hara.	Summerton, Mich.	\$500	102
506	Belle E. Gilbert.	St. Louis, Mo.	200	102
507	James M. Perry.	Columbus, Ind.	5,000	100
507	do.	do.	500	104.50
507	do.	do.	500	105
508	J. A. Keith.	Spencerville, Ohio	3,000	110.30
509	Dilsheimer Bros.	510 Market street, Philadelphia, Pa.	8,000	110
510	Norman B. Beecher.	407 Berkley Hall, New Haven, Conn.	250	106
511	Bernhard Hammer	1183 Madison avenue, New York.	100	107
512	Judson H. Bailey.	51 West Twenty-fifth street, New York.	100	109.0856
513	C. R. Hooff, for First National Bank.	Alexandria, Va.	10,000	106
514	Wyoming National Bank.	Wilkesbarre, Pa.	50,000	108
515	J. F. Brown.	Perry, Ohio.	500	110
516	M. P. Hutchison.	120 Broadway, New York.	100,000	103½
517	C. B. Jones.	Greenville, Tex.	100	100
518	John W. Brown.	Augusta, Ga.	250	115
519	Fulton National Bank.	Lancaster, Pa.	250	110
520	National State Bank.	Terre Haute, Ind.	1,600	105.55
521	Frank J. C. Steber.	Poland, N. Y.	2,500	103.50
522	Great Falls National Bank.	Somersworth, N. H.	150,000	105
523	Ludwig Laevinger.	White Lake, S. Dak.	3,000	108.50
524	First National Bank.	Webster, Mass.	15,000	110
525	Mrs. Rose Longini.	Chicago, Ill.	300	111.50
526	John A. Beard.	Mifflinburg, Pa.	1,000	104
527	German Exchange Bank.	330 Bowery, New York.	110,000	110
528	Merchants and Planters' Bank.	Pine Bluff, Ark.	25,000	110.2992
529	H. M. Remsey, cashier Salem National Banking Co.	Salem, N. J.	5,500	115
530	First National Bank.	Dexter, Me.	12,000	110.125
531	Ann Arbor Savings Bank.	Ann Arbor, Mich.	25,000	105.5516
532	Delaware County National Bank.	Muncie, Ind.	50,000	105.5516
533	do.	do.	50,000	107.89
534	David Lebermuth.	New York.	7,000	111
535	Joseph A. McKillip.	Baltimore, Md.	4,000	112
536	National Bank of Newport.	Newport, Vt.	50,000	108.4878
537	Joseph B. Moore.	40 West Foot street, Detroit, Mich.	50,000	110
538	Middlesex County Bank.	Perth Amboy, N. J.	15,000	105
539	Mrs. Mary F. Winchester.	Wilmington, Vt.	3,000	101
540	Reading National Bank.	Reading, Pa.	50,000	112
541	Eliza A. Emmons.	22 East Sixtieth street, New York.	1,000	107
542	Cedar Rapids National Bank.	Cedar Rapids, Iowa.	27,000	111.57
543	Packard National Bank.	Greenfield, Mass.	25,000	111.01
544	Mrs. Sarah A. McTyre.	Elizabethtown, Ill.	250	104
545	Samuel J. Landauer.	337 East Forty-first street, New York.	4,000	109.0856
546	First National Bank.	Jackson, Tenn.	20,000	110
547	do.	do.	13,000	110

548	Lucy F. Diehl.....	Chambersburg, Pa.....	50	104
549	Boatman's Bank.....	St. Louis, Mo.....	105, 500	112
550	Mattapan Deposit and Trust Co.....	South Boston, Mass.....	14, 000	111. 02
551	Loan and Savings Bank.....	Charlotte, N. C.....	5, 000	109
552	Vicksburg Bank.....	Vicksburg, Miss.....	30, 000	104. 4082
553	J. A. Nabers.....	Vernon, Tex.....	16, 000, 000	104. 26
554	Bank of Charleston National Banking Association.....	Charleston, S. C.....	25, 000	109. 75
555	do.....	do.....	75, 000	110. 50
556	do.....	do.....	50, 000	111. 125
557	do.....	do.....	50, 000	111. 625
558	do.....	do.....	25, 000	112
559	do.....	do.....	25, 000	112. 25
560	do.....	do.....	25, 000	112. 75
561	do.....	do.....	25, 000	112. 50
562	L. O. Abbey.....	Ness City, Kans.....	1, 000	112
563	Charles J. Carlson.....	Cokato, Minn.....	100	105
564	Charles T. Shephard.....	Janesville, Wis.....	2, 100	100
565	William Tripp.....	Carrollton, Ohio.....	200	103
566	S. W. Rindskopf.....	New York.....	3, 000	111
567	State Bank of Valparaiso.....	Valparaiso, Ind.....	1, 000	100
568	M. Breidenback.....	1309 Locust street, Cincinnati, Ohio.....	1, 000	106
569	Clyde Exchange Bank.....	Clyde, Kans.....	1, 000	100
570	F. M. Kimball.....	Hartington, Nebr.....	50	109
571	Edwin F. Meyer.....	Chicago, Ill.....	50	125
572	Joseph B. Tophitz.....	330 Pine street, San Francisco, Cal.....	5, 000	105. 50
573	J. D. McNab.....	Riverside, Cal.....	50, 000	105
574	H. A. Keiser.....	1048 Jackson street, Philadelphia, Pa.....	250	103
575	Lizzie Engelhart.....	Lansing, Mich.....	400	103. 3750
576	Joseph E. Miller.....	719 Market street, Philadelphia, Pa.....	50	110
577	Mifflin County National Bank.....	Lewistown Pa.....	2, 000	116
578	Watertown National Bank.....	Watertown, N. Y.....	10, 000	105
579	Samuel B. Gabel.....	Creswell, Ind.....	50	104
580	Savings Institution of the City of Williamsport.....	Williamsport, Pa.....	10, 000	110
581	John M. Galloway.....	Madison, N. C.....	300	114
582	John Hays, care of Second National Bank.....	Pittsburg, Pa.....	15, 000	108
583	National Valley Bank.....	Staunton, Va.....	50, 000	110
584	do.....	do.....	50, 000	108
585	Columbia National Bank.....	Pittsburg, Pa.....	70, 000	110
586	Guernsey National Bank.....	Cambridge, Ohio.....	25, 000	110
587	Third National Bank.....	Greensburg, Ind.....	10, 000	108
588	John H. Huntley.....	Visalia, Cal.....	2, 000	100
589	Marine National Bank.....	Pittsburg, Pa.....	50, 000	109. 0856
590	First National Bank.....	Aspen, Colo.....	100, 000	104
591	D. L. Bradford.....	South Omaha, Nebr.....	200	110
592	S. W. Shattuck.....	Champaign, Ill.....	500	104. 4082
593	Farmers' National Bank.....	Kittanning, Pa.....	10, 000	110
594	Exchange Bank.....	Yarmouth, Nova Scotia.....	10, 000	106. 50
595	S. Jarmulowsky.....	New York.....	2, 000	112
596	F. G. Farrell.....	Jacksonville, Ill.....	21, 500	108
597	W. R. Leuce.....	Delassus, Mo.....	100	110
598	Gustav Schmidt.....	McKeesport, Pa.....	1, 000	113
599	State National Bank.....	Austin, Tex.....	25, 000	105

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
600	Joseph N. Brown	Anderson, S. C.	\$5,000	113.25
601	George F. Pepper	Philadelphia, Pa.	300	120
602	C. L. Anderson	Kosciusko, Miss.	1,000	117
603	Johnston & Cheek	Danville, Va.	50,000	107.8900
604	Henry C. Levi	Chicago, Ill.	50,000	109.0856
605	George D. Hopkins	Alexandria, Va.	3,000	110
606	Embryh Swearingen	234 Fifth street, Louisville, Ky.	10,000	106
607	J. W. Congdon	La Crosse, Wis.	1,000	110
608	Batavian Bank	do	15,000	109
609	First National Bank	Gouverneur, N. Y.	14,000	110
610	Emma E. Finley	Shackelford, Mo.	100	105
611	National State Bank	Oneida, N. Y.	60,000	109.0856
612	Salathiel J. Hooper	Pittsburg, Pa.	12,000	110.50
613	First National Bank	Vicksburg, Miss.	63,300	104.41
614	Pacific National Bank	Nantucket, Mass.	10,000	112
615	H. B. Vincent	McConnellsville, Ohio	1,000	107
616	Burr J. Morgan	Parish, N. Y.	300	105.50
617	First National Bank	Cadiz, Ohio	20,000	114
618	Edward A. BOWENS	Washington, D. C.	2,000	110.50
619	Henry Hamlin	Smethport, Pa.	10,000	104
620	First National Bank	Mifflintown, Pa.	19,000	112
621	Union National Bank	Kansas City, Mo.	50,000	109.01
622	E. C. Smith	1316 Travis street, Houston, Tex.	250	110.625
623	John A. Weatherbee	Danforth, Me.	1,000	109.001
624	do	do	1,000	110.001
625	do	do	1,000	111.001
626	do	do	1,000	111.005
627	George T. Murdock	Port Henry, N. Y.	50,000	108.375
628	Toledo Savings Bank and Trust Co	Toledo, Ohio	50,000	110
629	Lyndonville National Bank	Lyndonville, Vt.	5,000	110
630	S. S. Jones	11 Wall street, New York	100,000	108
631	First National Bank	Emlenton, Pa.	5,000	104
632	do	do	5,000	106
633	do	do	5,000	108
634	do	do	5,000	110
635	do	do	5,000	112
636	First National Bank	Houston, Tex.	100,000	107
637	Fourth National Bank	Columbus, Ga.	30,000	103.1875
638	Bridgeton National Bank	Bridgeton, N. J.	10,000	109
639	Second National Bank	Bangor, Me.	50,000	110
640	Ignatz Suess	1232 Allegheny avenue, Philadelphia, Pa.	4,000	104
641	C. W. Hagerman	34 Fourth avenue, New York	2,200	108.50
642	Poughkeepsie Savings Bank	Poughkeepsie, N. Y.	100,000	109.0856
643	Delta Trust and Banking Co	Vicksburg, Miss.	10,000	104.4082
644	First National Bank	Oneonta, N. Y.	5,000	110

644	do	do	5,000	1101
644	do	do	5,000	1101
644	do	do	5,000	111
644	do	do	5,000	111
644	do	do	5,000	111
644	do	do	5,000	112
644	do	do	5,000	112
644	do	do	5,000	112
644	do	do	5,000	113
644	do	do	5,000	113
645	Citizens' National Bank	Ripley, Ohio	3,000	1074
646	Merchants and Farmers' National Bank	Weatherford, Tex.	26,000	105.50
647	Citizens' National Bank	Tilton, N. H.	5,000	111.531
648	C. M. Clapp	Albion, Ind.	5,000	106
649	J. H. Beardsley	Bainbridge, Ohio	500	110
650	L. L. Shoemaker	3109 Powelton avenue, Philadelphia, Pa.	100	108
651	Henry Merriam	Brooklyn, N. Y.	50	150
652	Dr. C. L. Randall	Standish, Me.	200	100
653	Dr. Nathan Redrow Adams	Moorestown, N. J.	2,400	108
654	John H. Mills	368 Clifton place, Brooklyn, N. Y.	250	107
655	Merchants' National Bank	Glens Falls, N. Y.	(a)	-----
656	Mahlon Livingood	363 Walnut street, Pottstown, Pa.	250	108.26
657	Abraham Stern	502 North Sixth street, Philadelphia, Pa.	4,000	105.50
658	Hawley C. White	North Bennington, Vt.	5,500	110
659	W. H. Smith	Binghamton, Cal.	300	109.0856
660	First National Bank	Tonawanda, N. Y.	100,000	110
661	Citizens' National Bank	Marietta, Ohio	5,000	118
662	D. Carrigan	Custer City, S. Dak.	12,500	105
663	Charles Nigrin	132 Throop avenue, Brooklyn, N. Y.	5,000	109
664	First National Bank	Wadesboro, N. C.	50,000	109
665	Mrs. Richard Reid	Mount Sterling, Ky.	1,000	111
665	do	do	1,000	113
666	Arthur B. Chapman	Denver, Colo.	1,000	115
667	Herbert Myrick	Springfield, Mass.	100	119.3229
668	Charles Corss	Lockhaven, Pa.	2,000	109
669	J. E. Winship	Tunnel City, Wis.	1,000	105
669	do	do	1,000	100
670	C. L. Pollard	Chama, N. Mex.	100	104.4082
671	G. Saloman	141 Cedar street, Roxbury, Boston, Mass.	500	109.10
672	Martha Perrine	Dayton, Ohio	10,000	110
673	Ernst J. Hardtner	Pineville, La.	500	110
674	Elijah Ratliff	Martin Creek, Ark.	500	104
675	David Loring	Boston, Mass.	3,000	106.75
676	M. P. Levy	113 Pearl street, New York	5,000	110.25
677	do	do	5,000	111.50
678	do	do	5,000	112.50
679	Lilley State Bank	Tecumseh, Mich.	20,000	109.0856
679	do	do	10,000	110.2992
680	S. L. Williams	Shenandoah Junction, W. Va.	500	(b)
681	E. D. Eliasberg	Care of Schwartz Bros., Selma, Ala.	5,000	109.05
682	A. Eliasberg	Selma, Ala.	10,000	110.07

a Inquiry.

b No price.

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
683	Henry W. Frost & Co	Savannah, Ga.	\$5,000	111.50
684	do	do	5,000	112.50
685	do	do	5,000	110.50
686	H. Eliasberg	Selma, Ala.	5,000	108.06
687	Emil Loeb	124 Greenwich street, New York	4,000	108.50
688	M. M. Fechheimer	115 East Eighty-second street, New York	500	110.625
689	M. P. Levy	113 Pearl street, New York	10,000	109.75
690	do	do	10,000	106.50
691	do	do	10,000	108.75
692	do	do	10,000	107.50
693	Citizens' Bank	Portland, Ind.	6,000	110
694	E. H. Alford	Tallahassee, Fla.	5,000	112
695	Central National Bank	Greencastle, Ind.	25,000	111
696	Louis V. Peterson	101 Sansome street, San Francisco, Cal.	1,000	105
697	Lewis Dusenberg	1318 Sutter street, San Francisco, Cal.	30,000	116.625
698	David Sanford	602 Canada street, St. Paul, Minn.	2,000	110
699	Clemens Uptmar & Son	Teutopolis, Ill.	3,000	110
700	People's National Bank	Shelbyville, Tenn.	20,000	110
701	First National Bank	New Albany, Ind.	25,000	109.0856
702	do	Pasadena, Cal.	25,000	116.6471
703	John H. Stevens	295 Ferry street, Newark, N. J.	5,000	108.625
704	R. A. McMichael	Lamoure, N. Dak.	50	100
705	National Bank of Orange County	Chelsea, Vt.	15,000	111
706	First National Bank	Nanticoke, Pa.	10,000	109
707	do	Huntingdon, Pa.	25,200	110
708	Pennsylvania National Bank	Pittsburg, Pa.	50,000	109.75
709	Aurora National Bank	Aurora, Ind.	5,000	111.50
710	Albany City Savings Institution	Albany, N. Y.	25,000	109.0856
711	First National Bank	Carbondale, Ill.	2,500	110
712	do	Meridian, Miss.	50,000	110
713	Albert W. Akers	Nashville, Tenn.	100,000	112.50
713	do	do	100,000	111.25
713	do	do	200,000	110.50
714	Henry Nixon	Salineville, Ohio	550	110
715	Citizens' National Bank	Greensburg, Ind.	10,000	108
716	Manayunk National Bank	Philadelphia, Pa.	50,000	112
717	Joseph L. Graff	812 Broadway, New York	6,000	109
718	First National Bank	Haverhill, Mass.	20,000	109
719	H. H. Brown	Temple Court, room 6, Atlanta, Ga.	25,000	109.125
720	G. H. Wakeman	Waterlick, Warren County, Va.	500	100
721	First National Bank	Paris, Ill.	3,000	110.50
722	Bank of Port Jefferson	Port Jefferson, N. Y.	10,000	105
723	do	do	5,000	110
724	Gloster Armstrong	81 New street, New York	25,000	107.89
725	First National Bank	Bethlehem, Pa.	25,000	109.12

726	Loudoun National Bank.....	Leesburg, Va.....	25,000	108.75
727	Fifth Ward Savings Bank.....	Jersey City, N. J.....	5,000	105
728	Albert Schenck.....	323 North Eleventh street, Philadelphia, Pa.....	1,500	110
729	Astor Place Bank.....	New York.....	10,000	109.0856
730	Jesse I. Erringer.....	66 Broad street, New York.....	5,000	108
731	Noble County Bank.....	Kendallville, Ind.....	10,000	109.0856
732	Exchange Bank.....	Franklin, Pa.....	12,500	109
733	Geo. N. Osborne.....	Michigan City, N. Dak.....	50	112
734	Keyser Bank.....	Keyser, W. Va.....	10,000	110
735	Hazleton National Bank.....	Hazleton, Pa.....	5,000	109
736	do.....	do.....	20,000	110
737	Clarinda National Bank.....	Clarinda, Iowa.....	12,500	108
738	First National Bank.....	Weatherford, Tex.....	15,000	108
739	People's National Bank.....	Marlboro, Mass.....	35,000	108
740	do.....	do.....	10,000	110
741	do.....	do.....	5,000	112
742	do.....	do.....	10,000	108.50
743	do.....	do.....	10,000	109.50
744	do.....	do.....	10,000	110.50
745	do.....	do.....	10,000	111.50
746	Oxford National Bank.....	Oxford, Mass.....	3,000	112
747	First National Bank.....	Dunkirk, Ind.....	7,000	110.2993
748	do.....	Owatonna, Minn.....	15,000	110
749	Albert G. Brock.....	Nantucket, Mass.....	100	112.07
750	William Schroeder.....	Lincoln, Nebr.....	1,000	109
751	Tompkins County National Bank.....	Ithaca, N. Y.....	5,000	111.531
752	Security Trust Co.....	Rochester, N. Y.....	100,000	109.25
753	Tompkins County National Bank.....	Ithaca, N. Y.....	5,000	106.7121
754	do.....	do.....	5,000	107.89
755	do.....	do.....	5,000	109.0856
756	do.....	do.....	5,000	110.2992
757	W. J. Hayes.....	244 Main street, Buffalo, N. Y.....	1,000	110
758	Bradford National Bank.....	Bradford, Pa.....	70,000	110
759	do.....	do.....	70,000	111
760	do.....	do.....	60,000	112
761	National Bank of South Reading.....	Wakefield, Mass.....	25,000	111.25
762	John Bagley.....	National Soldiers' Home, Virginia.....	300	109
763	A. L. Leland.....	Boston, Mass.....	100,000	111.5340
764	do.....	do.....	100,000	110.6101
765	do.....	do.....	100,000	110.0095
766	do.....	do.....	100,000	109.2435
767	do.....	do.....	100,000	108.5761
768	First National Bank.....	Wallingford, Conn.....	20,000	112
769	do.....	Susquehanna Depot, Pa.....	10,000	110.50
770	do.....	do.....	15,000	112
771	do.....	do.....	10,000	110.50
772	Butler County National Bank.....	Butler, Pa.....	50,000	109.0856
773	G. H. Balleray.....	Paterson, N. J.....	20,000	100
774	National Bank.....	Slatington, Pa.....	25,000	110
775	Henry Mulberger.....	Watertown, Wis.....	1,000	112
776	Manheim National Bank.....	Manheim, Pa.....	8,000	108
777	Searsport National Bank.....	Searsport, Me.....	5,000	111.5310

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
778	Merchants' National Bank.....	Lowell, Mass.....	\$100,000	110.0038
779	Washoe County Bank.....	Reno, Nev.....	5,000	109
780	First National Bank.....	Rockville, Conn.....	50,000	110
781	New Britain National Bank.....	New Britain, Conn.....	25,000	109.0856
782	Lewisburg National Bank.....	Lewisburg, Pa.....	20,000	109.0856
783	Manufacturers' National Bank.....	Racine, Wis.....	25,000	105
784	do.....	do.....	25,000	106
785	First National Bank.....	Dawson, Pa.....	10,000	110
786	do.....	Bellaire, Ohio.....	20,000	106
787	do.....	Bedford, Pa.....	25,000	107.8900
788	Wyoming National Bank.....	Tunkhannock, Pa.....	20,000	108
789	First National Bank.....	Bedford, Pa.....	25,000	109.0856
790	do.....	do.....	25,000	110.2992
791	National Bank of Pawling.....	Pawling, N. Y.....	100,000	106
792	Randolph M. Davis, jr.....	St. Joseph, Mo.....	50	115
793	William Fairleigh Enright.....	do.....	50	115
794	Payne & Williams' Bank.....	Fayette, Mo.....	3,000	114
795	S. A. Underhill.....	Boston, Mass.....	1,000	113.05
795	do.....	do.....	1,000	112.05
795	do.....	do.....	1,000	111.05
795	do.....	do.....	1,000	110.05
796	Salphronius H. French.....	40 Church street, Amsterdam, N. Y.....	1,000	110
797	A. W. Cleland, jr.....	Care of Kountze Bros., New York.....	10,000	110
798	Charles S. Barney.....	West Union, N. Y.....	1,300	115
799	Citizens' Bank.....	Weston, W. Va.....	11,000	109
800	Germania Bank.....	Savannah, Ga.....	25,000	108.50
801	do.....	do.....	25,000	107.50
802	do.....	do.....	25,000	106.50
803	do.....	do.....	25,000	105.50
804	do.....	do.....	25,000	104.50
805	Thomas M. Smith.....	Montclair, N. J.....	1,200	105
806	Jacob A. Spitzer.....	Philadelphia, Pa.....	1,000	106.50
807	Eversman Wood & Engbring.....	Effingham, Ill.....	5,000	110
808	do.....	do.....	5,000	106
809	do.....	do.....	5,000	108
810	Solomon Blumenthal.....	139 Grand street, New York.....	5,000	108
811	Louis Lang.....	310 Callowhill street, Philadelphia, Pa.....	500	110
812	First National Bank.....	North Bennington, Vt.....	6,000	109.0856
813	Capital City Bank.....	Madison, Wis.....	10,000	110
814	Jacob F. Tourtellotte.....	Minneapolis, Minn.....	5,000	106
815	First National Bank.....	do.....	25,000	108
816	do.....	do.....	25,000	109
817	John J. Louthan.....	Canton, Mo.....	5,000	112
818	Franklin Exchange Bank.....	Franklin, Nebr.....	1,000	109.0856
819	E. F. Young.....	Trenton, Nebr.....	500	107

820	John J. Blair	Peebles, Ohio	4,350	115
821	William C. Cochran	Cincinnati, Ohio	1,000	110
822	First National Bank	Vevay, Ind.	5,000	112
823	Second National Bank	Winona, Minn.	50,000	110.25
824	Levi F. Kistler	Stony Run, Pa.	100	100
825	Louis Lang	310 Callowhill street, Philadelphia, Pa.	1,000	108
826	Preble County National Bank	Eaton, Ohio	12,500	109
827	First National Bank	Batavia, Ohio	6,000	110.10
828	W. R. Rison & Co.	Huntsville, Ala.	30,000	109
829	Bristol County National Bank	Taunton, Mass.	15,000	112.75
830	Ipswich Savings Bank	Ipswich, Mass.	5,000	108
831	Essex Savings Bank	Lawrence, Mass.	100,000	107.75
832	do	do	100,000	108.75
833	do	do	100,000	109.75
834	do	do	100,000	110.75
835	First National Bank	Fort Dodge, Iowa	10,000	112.125
836	do	do	10,000	111.125
837	do	do	10,000	110.125
838	do	do	10,000	109.50
839	do	do	10,000	108.50
840	Manufacturers' National Bank	Neenah, Wis.	15,000	110.125
841	E. H. Shawde & Co.	Easton, Pa.	4,500	109.55
842	First National Bank	Astoria, Oreg.	45,000	109.0856
843	E. H. Shawde & Co.	Easton, Pa.	1,000	110.06
844	Second National Bank	Toledo, Ohio	50,000	109.55
844	do	do	50,000	110.10
844	do	do	50,000	110.60
844	do	do	50,000	111.10
845	Bankers' National Bank	Chicago, Ill.	30,000	110.30
846	do	do	30,000	106.75
847	do	do	30,000	107.90
848	do	do	33,000	109.10
849	do	do	21,000	111.01
850	American Trust and Savings Bank	do	100,000	109
851	Rodgers & Son	Bedford, Ohio	50,000	109
852	M. P. Hillyer	11 Pine street, New York	250,000	109.65
853	A. Lebernuth	846 Sixth avenue, New York	2,000	110
854	Mrs. Emelia Wolfson	San Antonio, Tex.	20,000	106
855	Flower & Co.	52 Broadway, New York	250,000	110
856	Caroline Emanuel	New York	500	112
857	Easton Trust Co.	Easton, Pa.	15,000	109.0856
858	D. Bounds Thomas	Chestnut Hill, Philadelphia, Pa.	1,500	109
859	Union National Bank	Philadelphia, Pa.	.....	(a)
860	do	do	25,000	110.2992
861	do	do	25,000	111.5310
862	Stanislas Strozynski	San Francisco, Cal.	9,000	114.0506
863	Samuel Pruyn	Glens Falls, N. Y.	25,000	105.50
864	A. Staab	Santa Fe, N. Mex.	25,000	105.50
865	Provident Institution for Savings	Amesbury, Mass.	50,000	110.51
866	Lincoln National Bank	Boston, Mass.	40,000	112.10

a Letter inclosing following bids.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
866	Lincoln National Bank	Boston, Mass	\$40,000	111.76
866	do	do	30,000	111.04
866	do	do	20,000	110.76
867	First National Bank	Mount Vernon, Ohio	10,000	110
868	do	do	1,150	112.50
869	do	Norwalk, Ohio	25,000	108
870	Daniel Will	McArthur, Ohio	25,000	109.0856
871	Second National Bank	Titusville, Pa	30,000	107
872	do	do	10,000	109
873	do	do	30,000	106
874	First National Bank	Bay City, Mich	40,000	107
875	Robert W. Welch	Care of New York Times, New York	5,000	107.5
876	Bank of Wisconsin	Madison, Wis	5,000	109.0856
877	Manitowoc Savings Bank	Manitowoc, Wis	5,000	108
878	Dollar Savings Bank	Pittsburg, Pa	100,000	110
879	Citizens' National Bank	New Bedford, Mass	100,000	110
880	do	do	50,000	109
881	do	do	50,000	108
882	do	do	20,000	108
883	First National Bank	Georgetown, Ohio	40,000	108
884	do	do	30,000	110
885	do	do	10,000	112
886	Jeremiah Hosmer	Boston, Mass	6,500	112
887	National Revere Bank	do	100,000	109.08
888	do	do	100,000	109.50
889	Charles W. Carter	Norwich, Conn	1,000	112
890	National Union Bank	Boston, Mass	25,000	109.1
890	do	do	25,000	110.1
891	W. S. Whiteman	Georgetown, Ohio	20,000	108.25
892	do	do	10,000	109.25
893	First National Bank	Wilmington, Ill	35,000	110
894	First National Bank	Fairhaven, Vt	5,000	108
895	Apollo Savings Bank	Apollo, Pa	10,000	110
896	J. S. Goebel	Marietta, Ohio	10,000	110
897	First National Bank	Fairhaven, Vt	5,000	105
898	do	do	5,000	110.31
899	Warren Institution for Savings	Charlestown, Mass	200,000	111.531
900	Port Chester Savings Bank	Port Chester, N. Y	10,000	113
901	John Wells	Care of Fifth Avenue Bank, New York	2,000	105.25
902	do	do	2,000	106.13
903	do	do	2,000	107.13
904	do	do	2,000	108.1
905	First National Bank	Ashland, Ohio	10,000	112
906	do	do	10,000	110.50
907	Mercantile Bank	Pittsburg, Pa	50,000	110

908	Exchange National Bank	.....	108
909	do	.....	111
910	do	.....	112
911	First National Bank	.....	106.7121
912	George G. Swain	.....	100
913	H. C. Johnson, administrator and trustee	.....	109
914	Taunton National Bank	.....	112
915	First National Bank	.....	110
916	W. Siegel	.....	113
917	First National Bank	.....	111.75
918	Charles C. Craft	.....	106.40
919	R. L. Pease	.....	107
920	Illinois Trust and Savings Bank	.....	109.856
921	Bank of Little Rock	.....	109.856
921	do	.....	108
921	do	.....	108
922	Illinois Trust and Savings Bank	.....	109
923	do	.....	110
924	do	.....	110
925	do	.....	108.50
926	C. F. Schaefer	.....	108.25
927	Francis T. Freeland	.....	109
928	Joseph S. Ceyka	.....	104
929	Citizens' National Bank	.....	115
930	Second National Bank	.....	106
931	Savings and Trust Co.	.....	112
932	Merchants' National Bank	.....	110
933	First National Bank	.....	110
934	William H. Carryl	.....	110
935	Thomas J. Budd	.....	105
936	Diebert Bros.	.....	110
937	Commonwealth Title Insurance and Trust Co.	.....	104.4082
937	do	.....	109.0856
938	Orange County Trust and Safe Deposit Co.	.....	110
939	do	.....	108
940	Henry N. Fechter	.....	105.5516
941	A. C. Howe	.....	107
942	Yonkers Savings Bank	.....	111.50
943	Michael Sells	.....	104
944	Erickson Perkins	.....	110
945	Solomon Blumenthal	.....	109
946	G. W. Toombs	.....	104
947	Miss Elizabeth M. Jones	.....	109
948	Cochran, Payne & McCormick	.....	106.90
949	Bank of Fort Scott	.....	108
950	Carl U. Mertz	.....	110
951	Leo Jessel	.....	109
952	W. B. Wiltbank	.....	108.50
953	John M. Stief	.....	112
954	Woodstock National Bank	.....	109
955	do	.....	109.10
956	do	.....	109.0856
900	North Bennington, Vt	.....	50,000
900	Pointville, N. J	.....	50,000
900	Woodstock, Vt.	.....	50,000
900	Taunton, Mass.	.....	6,000
900	Cumberland, Md.	.....	200
900	2 Bowling Green, New York	.....	4,000
900	Cumberland, Md.	.....	20,000
900	Crafton, Pa.	.....	15,000
900	Atchison, Kans	.....	15,000
900	Chicago, Ill.	.....	500,000
900	Little Rock, Ark.	.....	20,300
900	do	.....	5,000
900	do	.....	8,000
900	Chicago, Ill.	.....	500,000
900	do	.....	500,000
900	do	.....	100,000
900	do	.....	100,000
900	Pittsburg, Pa.	.....	50,000
900	Aspen, Cal.	.....	2,000
900	1106 Walnut street, Philadelphia, Pa.	.....	2,500
900	Marietta, Ohio	.....	1,000
900	Uniontown, Pa.	.....	25,000
900	Cleveland, Ohio	.....	50,000
900	Glens Falls, N. Y.	.....	15,000
900	Poultney, Vt.	.....	12,500
900	Littlefalls, N. Y.	.....	250
900	Philadelphia, Pa.	.....	5,000
900	Reading, Pa.	.....	10,000
900	Philadelphia, Pa.	.....	20,000
900	do	.....	30,000
900	Middletown, N. Y.	.....	10,000
900	do	.....	10,000
900	Chicago, Ill.	.....	1,000
900	Harriman, Tenn	.....	700
900	Yonkers, N. Y.	.....	50,000
900	1840 Fourteenth street, Washington, D. C.	.....	1,000
900	Rochester, N. Y.	.....	1,000
900	139 Grand street, New York	.....	5,000
900	Modesto, Cal.	.....	5,000
900	San Francisco, Cal.	.....	1,000
900	Williamsport, Pa.	.....	100,000
900	Fort Scott, Kans.	.....	40,000
900	Republic, Mich.	.....	50
900	Logansport, Ind.	.....	5,300
900	New York	.....	4,500
900	Meyersdale, Pa.	.....	2,000
900	Woodstock, Vt.	.....	5,000
900	do	.....	5,000
900	do	.....	24,000

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
957	First National Bank.....	Grafton, W. Va.....	\$10,000	113.50
958	do.....	do.....	10,000	114
959	George W. Bauer.....	Washington, D. C.....	400	112.7814
960	Harmon H. Hart.....	67 Exchange Place, New York.....	8,000	109.0856
961	Thomas E. Davis.....	Grafton, W. Va.....	10,000	112
962	Cohen, Endel & Co.....	New York.....	15,000	109.0856
963	Florence Fell.....	Doylestown, Pa.....	300	108
964	Arthur T. Cote.....	Wolboro, N. H.....	500	111
965	Ipswich Savings Bank.....	Ipswich, Mass.....	5,000	112
966	Herman Cohen.....	61 Broadway, New York.....	5,000	106.125
967	Tioga National Bank.....	Owego, N. Y.....	16,000	108
968	Port Chester Savings Bank.....	Port Chester, N. Y.....	10,000	111
969	Naumkeag National Bank.....	Salem, Mass.....	75,000	110.2992
970	Bank of Athens.....	Athens, Ohio.....	11,000	111
971	George H. Freeman.....	Troy, N. Y.....	10,000	109.0856
972	Timothy Driscoll.....	Redding, Cal.....	1,000	117
973	James Hatten.....	Egypt, W. Va.....	100	108
974	William H. Stuart.....	Richmond, Mo.....	2,000	109
975	Anna Forster.....	139 East Sixtieth street, New York.....	1,000	110.125
976	Alice D. Brown.....	Athens, Ohio.....	5,000	109
977	Lynn Institution for Savings.....	Lynn, Mass.....	50,000	110.10
977	do.....	do.....	25,000	110.50
977	do.....	do.....	25,000	111
978	Myer Lichtenstein.....	170 East One hundred and thirteenth street, New York.....	1,000	110
979	Samuel C. Abeloff.....	218 East Eight-fifth street, New York.....	1,000	110
980	Ida N. Wagoner.....	Phoenixville, Pa.....	50	109
981	Francis F. Emery.....	Boston, Mass.....	1,000	111
982	Mrs. Thomas J. Shaw.....	1720 Whittier street, St. Louis, Mo.....	150	106.75
983	Fowler National Bank.....	Lafayette, Ind.....	50,000	110
984	United States National Bank.....	Pittsburg, Pa.....	10,000	110.09
985	do.....	do.....	10,000	110.30
986	do.....	do.....	a 10,000	111.26
987	do.....	do.....	10,000	111.35
988	do.....	do.....	10,000	112.25
988	do.....	do.....	50,000	111.05
989	do.....	do.....	do.....	do.....
990	Margaret E. Grunnell.....	Leonardtown, Md.....	350	103.75
991	Vinton County National Bank.....	McArthur, Ohio.....	25,000	108.9144
992	John Kronowetter.....	Palm Beach, Fla.....	50	100
993	Manis Hyams.....	41 Maiden Lane, New York.....	1,000	110
994	Second National Bank.....	Saginaw, Mich.....	50,000	110.06
995	Albert Lorsch.....	35 Maiden Lane, New York.....	50,000	109.10
996	Broadway National Bank.....	Boston, Mass.....	60,000	109.09
997	Foster V. Brown.....	House of Representatives, Washington, D. C.....	1,000	108
998	Wellington National Bank.....	Wellington, Kans.....	10,000	103.75
999	B. E. Tilden Company.....	Chicago, Ill.....	2,000	108.60

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1048	Murphy, Wall & Co.	Pinckneyville, Ill.	\$10,500	110.2992
1049	First National Bank.	Lynn, Mass.	25,000	111.50
1050	do.	do.	25,000	111.25
1051	William Wunsch.	Morris, Minn.	100	110
1052	First National Bank of Buchanan County.	St. Joseph, Mo.	2,000	111
1053	James K. Pardee.	Phillipsburg, Mont.	2,500,000	106
1054	Boies State Savings Bank.	Hudson, Mich.	10,000	110
1055	Allen R. White.	Louisville, Ky.	20,000	108
1056	First National Bank.	Herkimer, N. Y.	25,000	108
1057	Warren National Bank.	Peabody, Mass.	20,000	110
1058	do.	do.	20,000	111
1059	do.	do.	20,000	112
1060	do.	do.	20,000	113
1061	John E. McCall.	1323 M street, Washington, D. C.	4,000	108
1062	Bank of California.	San Francisco, Cal.	100,000	109.08
1063	Oneida Savings Bank.	Oneida, N. Y.	15,000	110
1064	The Bank of California.	San Francisco, Cal.	50,000	114.05
1065	do.	do.	100,000	111.53
1066	Charles E. Berry.	Danforth, Me.	1,000	112.001
1067	do.	do.	1,000	111.05
1068	do.	do.	1,000	111.001
1069	Mrs. John A. Weatherbee.	do.	500	112.006
1070	Otis Everett.	10 Arnold circle, Cambridge, Mass.	2,000	108.55
1071	Queens County Bank.	New York.	10,000	109.50
1072	do.	do.	10,000	109.625
1073	do.	do.	20,000	109.75
1074	do.	do.	10,000	109.875
1075	do.	do.	10,000	110
1076	The First National Bank of St. Paul.	St. Paul, Minn.	100,000	109
1077	Catharine Staunard.	194 West Tupper street, Buffalo, N. Y.	600	104
1078	Bernhard Scharfall.	Giant, Contra Costa County, Cal.	2,000	115
1079	C. Hinsberg.	1309 Scott street, San Francisco, Cal.	500	101.50
1080	First National Bank of Plattsburg.	Plattsburg, Mo.	12,500	112.50
1081	Richard C. Davis.	Washington, Ind.	7,000	108
1082	People's National Bank.	do.	20,000	110
1083	M. F. Burke.	do.	5,000	105
1084	F. W. Wilcox.	Minonk, Ill.	500	112
1085	The Bank of California.	San Francisco, Cal.	100,000	112.78
1086	Atchison Savings Bank.	Atchison, Kans.	10,000	110
1087	People's National Bank.	Burlington, Kans.	30,000	105.60
1088	Richmond National Bank.	Richmond, Me.	10,000	110
1089	National Exchange Bank.	Steubenville, Ohio.	20,000	112.50
1090	National Bank of Brookville.	Brookville, Pa.	10,000	113
1091	G. William Arnalott.	Eau Claire, Wis.	1,500	100
1092	First National Bank.	Waterloo, Iowa.	50,000	111

1093	Samuel G. Woodward.....	500 M street, Sacramento, Cal.....	700	101
1094	William Peacocke.....	429 L street, Sacramento, Cal.....	800	101
1095	George W. Plantz.....	Pomeroy, Ohio.....	50,000	108
1096	E. Salinger.....	San Jose, Cal.....	10,000	110.03
1097	Hurman Olcovich.....	330 Pine street, San Francisco, Cal.....	4,000	109
1098	J. W. Broughton.....	Chicago, Ill.....	300	112.25
1099	Gertrude Smith.....	Carrollton, Ky.....	2,000	111
1100	Carrollton National Bank.....	do.....	5,000	111
1101	Jesse Marshall.....	Carrollton, Ohio.....	12,500	110
1102	Wolfe & Sons.....	Danville, Ohio.....	2,000	103.3125
1103	do.....	do.....	500	103.4375
1104	Amesbury National Bank.....	Amesbury, Mass.....	10,000	109.125
1105	do.....	do.....	10,000	110.125
1106	do.....	do.....	10,000	111.125
1107	do.....	do.....	10,000	112.125
1108	First National Bank of Ayer.....	Ayer, Mass.....	10,000	110
1109	First National Bank.....	Richmond, Me.....	2,500	112
1110	Frank Chance.....	Urbana, Ohio.....	10,000	109.50
1111	George H. Harris.....	2821 North Twelfth street, Philadelphia, Pa.....	2,000	112
1112	First National Bank.....	Moravia, N. Y.....	18,000	110.2992
1113	L. E. Bedell.....	Romeo, Mich.....	1,000	108
1114	First National Bank.....	Faribault, Minn.....	10,000	109
1115	First National Bank.....	Port Henry, N. Y.....	25,000	107.90
1116	do.....	do.....	25,000	109.15
1117	Royal Trust Company.....	Chicago, Ill.....	100	120
1118	do.....	do.....	10,000	110
1119	The Morris County Savings Bank.....	Morristown, N. J.....	20,000	106.7121
1120	First National Bank.....	Mahanoy City, Pa.....	26,000	110
1121	Charles W. Ford.....	Fishers, N. Y.....	300	110
1122	The Citizens' National Bank.....	Lebanon, Ohio.....	10,000	108.50
1123	First National Bank.....	Mexico, Mo.....	100	105
1124	Frances M. Arnold.....	Cleveland, Ohio.....	2,000	106.7121
1125	Wells County Bank.....	Bluffton, Ind.....	6,000	110
1126	The Studabaker Bank.....	do.....	30,000	106
1127	First National Bank.....	Milwaukee, Wis.....	100,000	106.75
1128	do.....	do.....	100,000	107
1129	do.....	do.....	100,000	107.25
1130	do.....	do.....	100,000	108.25
1131	do.....	do.....	100,000	109.25
1132	William W. Gray.....	Grayville, Ill.....	50,000	110
1133	First National Bank.....	do.....	50,000	109
1134	Oliver J. Hill.....	Cleveland, Ohio.....	2,000	107.89
1135	Union National Bank.....	Louisville, Ky.....	100,000	109.25
1136	William P. Otter.....	do.....	5,000	109.25
1137	G. E. Bender.....	Cleveland, Ohio.....	2,000	110.2992
1138	Studabaker Bank.....	Bluffton, Ind.....	40,000	110
1139	do.....	do.....	30,000	108
1140	J. V. Dawes.....	Cleveland, Ohio.....	2,000	111.5310
1141	Harris Cruch.....	do.....	2,000	109.0856
1142	John M. Wulfig.....	St. Louis, Mo.....	5,000	105
1143	Charles A. Edgerton.....	Northfield, Vt.....	4,000	110.5
1144	do.....	do.....	12,000	110

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1145	E. A. Monaghan.....	Lockhaven, Pa.....	\$10,000	104.40
1146	First National Bank.....	Lewiston, Me.....	15,000	114.0506
1147	Frederick William Luttgen.....	15 Wall street, New York.....	50	109.10
1148	Granite Savings Bank and Trust Co.....	Barre, Vt.....	2,000	114.05
1149	Lagonda National Bank.....	Springfield, Ohio.....	25,000	108
1150	Bank of Sargent County.....	Milnor, N. Dak.....	1,500	110
1151	F. H. Almstedt.....	Louisville, Ky.....	10,000	111
1152	First National Bank.....	Owenton, Ky.....	10,000	106.50
1153	Lawrenceburg Bank.....	Lawrenceburg, Ky.....	20,000	109
1154	Clay City National Bank.....	Clay City, Ky.....	10,000	109.25
1155	Cox & Swearingen.....	Louisville, Ky.....	25,000	107
1156	W. H. Simmons.....	do.....	5,000	109
1157	Farmers' State Bank.....	Pittsfield, Ill.....	10,000	105.5516
1158	Ross Matthews.....	do.....	100	107.89
1159	S. L. Morgan.....	do.....	150	110.30
1160	Matthews & Morgan.....	do.....	500	104.4082
1161	Knowlton Bros.....	Freeport, Ill.....	10,000	105
1162	Factors' Fire Insurance Co.....	Memphis, Tenn.....	30,000	109
1163	Truman H. Day.....	225 Main street, Aurora, Ill.....	5,000	110
1164	do.....	do.....	5,000	108
1165	National Bank.....	Decatur, Ill.....	15,000	109.0856
1166	First National Bank.....	Paris, Ill.....	3,000	110.50
1167	do.....	Chatanooga, Tenn.....	72,500	109.09
1168	N. W. Mather.....	Grand Rapids, Mich.....	50	109.0856
1169	Parke Bank.....	Rockville, Ind.....	5,000	112
1170	do.....	do.....	5,000	108
1171	do.....	do.....	5,000	104
1172	F. G. Farrell.....	Jacksonville, Ill.....	1,000	112
1173	First National Bank.....	Springfield, Ill.....	25,000	109
1174	do.....	Murphysboro, Ill.....	12,500	111.25
1175	People's National Bank.....	New Brunswick, N. J.....	10,000	107
1176	T. Ely Schanck.....	do.....	3,000	107
1177	do.....	do.....	.....	(a)
1178	Bangor Savings Bank.....	Bangor, Me.....	15,000	110.2992
1179	do.....	do.....	15,000	111.5310
1180	do.....	do.....	20,000	112.7814
1181	First National Bank.....	Danville, Ind.....	25,000	107
1182	do.....	do.....	25,000	109
1183	W. T. Whitsett.....	Whitsett, Guilford County, N. C.....	500	100
1184	do.....	do.....	500	119.3229
1185	Abel H. Proctor.....	Room 219, John Hancock Building, Boston, Mass.....	24,000	112
1186	First National Bank.....	Los Angeles, Cal.....	50,000	105
1187	Mich Brand.....	32 Cedar street, Chicago, Ill.....	25,000	106
1188	Herman Wiecking.....	Bluffton, Ind.....	3,000	110
1189	Union and Planters' Bank.....	Memphis, Tenn.....	100,000	109
1190	Old National Bank.....	Evansville, Ind.....	200,000	105

1191	Manufacturer's National Bank	Baltimore, Md	25,000	110.50
1191	do	do	25,000	111.75
1192	First National Bank	Allegan, Mich	10,000	109.0856
1193	National Bank	Wilmington, N. C	100,000	108.25
1194	F. P. McCormick	518 Massachusetts Building, Kansas City, Mo.	15,000	112.10
1195	Bank of Dodge City	Dodge City, Kans	5,000	108
1196	Winnebago National Bank	Rockford, Ill.	15,000	108
1197	do	do	15,000	109
1198	do	do	20,000	110
1199	Alexander D. Forbes	do	10,000	110.25
1200	do	do	10,000	109.50
1201	Hortense Levy	do	1,000	105.50
1202	Saide Levy	733 Madison avenue, New York	1,000	108.50
1203	Jetta Levy	do	2,000	110.50
1204	Minnie G. Levy	do	1,000	112.50
1205	H. E. Levy	do	1,000	105.50
1206	do	do	1,000	104.50
1207	Isidor Rosen	do	1,000	110
1208	Thomas G. Caldwell	97 Monroe street, New York	1,000	109
1209	First National Bank	Watson town, Pa.	10,000	109.10
1210	Clinton National Bank	Circleville, Ohio	5,000	112.88
1211	do	Clinton, Conn.	4,000	113.30
1212	Clinton National Bank	Clinton, Conn.	5,000	110.30
1213	J. W. Finch	Glens Falls, N. Y.	25,000	105.50
1214	S. W. Smart	Willoughby, Ohio	15,000	106
1215	S. H. Smart	do	3,000	108
1216	William Krause	124 Dearborn avenue, Chicago	250	112
1217	First National Bank	Belle Plaine, Iowa	50,000	110.25
1218	National Bank	Houghton, Mich.	25,000	110
1219	First National Bank of Butte	Butte, Mont.	25,000	111
1220	do	do	25,000	108
1221	Charles F. Miller	Cheyenne, Wyo.	2,000	119.50
1222	George T. Murdock	Port Henry, N. Y.	10,000	105.50
1223	First National Bank	Champlain, N. Y.	30,000	108
1224	Merchants' National Bank	Albany, N. Y.	100,000	110.50
1225	Second National Bank	Wilkesbarre, Pa.	100,000	110
1226	Savings Bank	St. Helena, Cal.	10,000	109.0856
1227	A. M. Braupre	Aurora, Ill.	25,000	109.0856
1228	T. I. Kühne	Appleton, Wis.	1,000	101
1229	George Hohl	Easton, Pa.	5,000	110
1230	William D. Sewall	Bath, Me.	1,000	110.50
1231	T. A. Baldwin	Fort Grant, Ariz.	500	109.50
1232	W. H. Baldwin	do	2,000	109.50
1233	Louis Nearing	Morris Run, Pa.	1,000	110
1234	First National Bank	Plymouth, Pa.	15,000	111
1235	do	Rapid City, S. Dak.	12,500	109.252
1236	William Kunze	Hopewell, Mo.	100	106
1237	Farmers' National Bank	Granville, N. Y.	10,000	110
1238	do	do	5,000	108
1239	do	do	5,000	106
1240	do	do	5,000	106

a Letter enclosing bids.

b This number was missed in numbering bids.

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1241	Citizens' National Bank	Covington, Ky.	\$60,000	110
1242	do	do	60,000	106
1243	Farmers and Mechanics' Savings Bank	Minneapolis, Minn.	50,000	111.551
1244	National Bank of Newbury	Wells River, Vt.	30,000	112
1244	do	do	20,000	111
1245	First National Bank	Meadville, Pa.	5,000	110
1246	New First National Bank	do	25,000	113
1247	First National Bank	Franklin, Pa.	50,000	110
1248	M. Price	Paterson, N. J.	1,000	110.29
1249	National City Bank	Lynn, Mass.	20,000	112
1250	Central National Bank	Chillicothe, Ohio.	35,000	110.2992
1251	J. H. D. Ridder	Saratoga Springs, N. Y.	1,000	112
1252	Eliot National Bank	Boston, Mass.	100,000	111
1253	Glens Falls National Bank	Glens Falls, N. Y.	50,000	106
1254	C. H. Dickerman	Milton, Pa.	30,000	108.50
1255	John De Laittre	Care of Minneapolis Fire Insurance Co., Minneapolis, Minn.	3,000	111
1260	Merchants' National Bank	Plattsburg, N. Y.	25,000	108
1261	Northern National Bank	do	25,000	111.50
1262	do	Toledo, Ohio.	25,000	109.50
1263	do	do	25,000	110.50
1264	George F. Luthringer	Petersburg, Ill.	2,000	109
1265	Lynn Safe Deposit and Trust Co.	Lynn, Mass.	25,000	111
1266	Lynn National Bank	do	25,000	111
1267	Sylvania A. Farnum	Wellsville, N. Y.	1,000	109
1268	Albert Sander	Demopolis, Ala.	800	108
1269	Lee Sander	do	800	108
1270	Emma Long	do	400	108
1271	Lobdell, Farwell & Co.	Chicago, Ill.	30,000	110
1272	do	do	5,000	110
1273	W. J. Mann	Kiowa, Ind. T.	2,500	110
1274	B. E. Tilden Co.	Chicago, Ill.	2,000	106.80
1275	do	do	2,000	107.80
1276	Fort Worth National Bank	Fort Worth, Tex.	50,000	110
1277	Farmers' National Bank	Salem, Ohio.	25,000	110.50
1278	National Exchange Bank	Providence, R. I.	100,000	109.0856
1279	First National Bank	St. Augustine, Fla.	25,000	112
1280	Chester Snyder	Easton, Pa.	1,550	107
1281	Union National Bank	Pittsburg, Pa.	10,000	112.25
1282	do	do	20,000	112
1283	do	do	20,000	111
1284	do	do	20,000	110
1285	do	do	20,000	109
1286	do	do	20,000	108
1287	John J. Grice	Omaha, Nebr.	20,000	110
1288	Anna D. Martin	Lancaster, Ohio.	3,000	110

1289	National La Fayette Bank.....	Cincinnati, Ohio.....	50,000	107
1290	do.....	do.....	50,000	108
1291	F. D. Eatherty.....	Detroit, Mich.....	10,000	104.4082
1292	Bank of Florence.....	Florence, S. C.....	5,000	110.2992
1293	Frank Lamkin.....	Toledo, Ohio.....	1,000	110.05
1294	J. S. Finkenbinder.....	1124 Oliver street, St. Louis, Mo.....	6,000	109.50
1295	Wyoming National Bank.....	Tunkhannock, Pa.....	500	110
1296	Nannie W. Nengard, administratrix.....	Kingston, Tenn.....	4,000	109
1297	Noah Schakfield.....	1513 Seventh street south, Minneapolis, Minn.....	1,000	110
1298	Arthur M. Mundt.....	New York.....	1,000	112
1299	L. A. Clapp.....	Centerville, Mich.....	2,500	109.10
1300	Equitable National Bank.....	Baltimore, Md.....	50,000	111
1301	Wyoming National Bank.....	Tunkhannock, Pa.....	10,000	106
1302	do.....	do.....	10,000	107
1303	do.....	do.....	10,000	109
1304	Exchange Bank.....	Jefferson City, Mo.....	10,000	109
1305	do.....	do.....	10,000	110
1306	do.....	do.....	5,000	108
1307	Melrose National Bank.....	Melrose, Mass.....	10,000	108.50
1308	do.....	do.....	10,000	109.50
1309	do.....	do.....	10,000	110
1310	Marion L. Beaupre.....	Aurora, Ill.....	2,000	110
1311	Alton National Bank.....	Alton, Ill.....	30,000	109.0856
1312	Continental National Bank.....	St. Louis, Mo.....	100,000	109
1313	Second National Bank.....	Dubuque, Iowa.....	50,000	109
1314	First National Bank.....	Whitewater, Wis.....	25,000	110
1315	Farmers and Mechanics' National Bank.....	Frederick, Md.....	10,000	107.89
1316	do.....	do.....	10,000	109.0856
1317	do.....	do.....	10,000	110.2992
1318	do.....	do.....	10,000	112.7814
1319	Baxter National Bank.....	Rutland, Vt.....	20,000	112.7814
1320	Exchange National Bank.....	Polo, Ill.....	15,000	110
1321	National Bank of Savannah.....	Savannah, Ga.....	50,000	109
1322	do.....	do.....	50,000	108
1323	Winnisimmet National Bank.....	Chelsea, Mass.....	50,000	106
1324	H. & B. Beer.....	New Orleans, La.....	25,000	109.0856
1325	E. Salinger.....	San Jose, Cal.....	10,000	110.03
1326	German-American Savings Bank.....	Burlington, Iowa.....	15,000	114.0506
1327	Northern Trust Co.....	Chicago, Ill.....	100,000	110.25
1328	do.....	do.....	100,000	111
1329	Union National Bank.....	Wilmington, Del.....	30,000	104.41
1330	Pauline Augenstein.....	Washington, D. C.....	1,000	110
1331	Theresa Augenstein.....	Box 43, Minneapolis, Minn.....	1,000	110
1332	Henry C. Fridley.....	Minneapolis, Minn.....	10,000	105.55
1333	Hennepin County Savings Bank.....	Boston, Mass.....	80,000	107.50
1334	Mary Dodd.....	236 Fifth avenue, New York.....	1,000	110
1335	George William Jones.....	358 Seventh avenue, Brooklyn, N. Y.....	2,000	106.06
1336	George W. Ballevaez.....	do.....	1,000	104
1337	do.....	Webster, Mass.....	1,000	105
1338	Horatio N. Slater.....	do.....	100,000	112.7814
1338	do.....	do.....	100,000	111.5310
1338	do.....	do.....	100,000	110.2992

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1338	Horatio N. Slater	Webster, Mass.	\$100,000	109.0865
1338	do	do	100,000	107.8900
1339	Timothy O'Leary	Minneapolis, Minn.	500	110
1340	A. W. Crandall	Providence, R. I.	100	100
1341	Thomas G. Whaley	Coventry, R. I.	250	100
1342	Robert E. Glendinning & Co.	Philadelphia, Pa.	100,000	108.50
1343	do	do	100,000	109.50
1344	do	do	100,000	110.50
1345	do	do	100,000	111.50
1346	Southington National Bank	Southington, Conn.	10,000	107
1347	City National Bank	Selma, Ala.	100,000	109
1348	E. W. Cave	Houston, Tex.	100	115
1349	Henry F. Barrows	North Attleborough, Mass.	15,000	109
1350	do	do	10,000	110
1351	First National Bank	Woodstown, N. J.	3,000	119.3229
1352	Cumberland National Bank	Bridgeton, N. J.	25,000	109.50
1353	do	do	25,000	110.50
1354	Texarkana National Bank	Texarkana, Tex.	25,000	109.09
1355	do	do	25,000	108.5
1356	do	do	25,000	110
1357	John Dexter Locke	Washington, D. C.	200	112
1358	H. C. Daniels	Plainfield, N. H.	100	108
1359	do	do	100	107
1360	do	do	50	106
1361	F. C. Moore	New York	5,000	113
1362	Edisto Savings Bank	Orangeburg, S. C.	10,000	110
1363	do	do	10,000	108
1364	do	do	10,000	108
1365	do	do	10,000	110
1366	First Ward National Bank	Boston, Mass.	25,000	110.50
1367	do	do	25,000	110
1368	do	do	25,000	109.50
1369	do	do	25,000	109
1370	do	do	50,000	107
1371	Franklin County National Bank	Greenfield, Mass.	20,000	110.50
1372	George N. Smalley	Boston, Mass.	25,000	109.50
1373	A. D. Ensign	Chicago, Ill.	90,000	110.77
1374	Clement National Bank	Rutland, Vt.	25,000	107
1375	do	do	25,000	105.50
1376	do	do	25,000	104.50
1377	do	do	25,000	103.50
1378	George S. Crap	402 Library street, Philadelphia, Pa.	150	108.625
1379	Joseph G. Lester	33 North Second street, Philadelphia, Pa.	100	110
1380	C. H. White & Co.	72 Broadway, New York	50,000	106.50
1381	do	do	100,000	109

1382	Felix G. Effray.....	106-108 Fulton street, New York.....	50	108
1383	Charles Ahrenfeldt & Son.....	52 Murray street, New York.....	5,000	108.50
1384	do.....	do.....	5,000	109.50
1385	do.....	do.....	5,000	110.50
1386	do.....	do.....	5,000	112
1387	Lorin S. Bernheimer.....	31-33 White street, New York.....	20,000	105.5516
1388	do.....	do.....	20,000	106.7121
1389	do.....	do.....	20,000	107.89
1390	Gustav R. Tuska.....	62 William street, New York.....	5,000	105
1391	Samuel A. Tuska.....	do.....	5,000	108
1392	Estate William H. Osborn, by William Church Osborn, executor and trustee.....	71 Wall street, New York.....	100,000	109.05
1393	Daniel W. Cosgrove.....	Marlboro, Mass.....	1,000	108
1394	do.....	do.....	500	109
1395	do.....	do.....	500	110
1396	do.....	do.....	1,000	107
1397	Traders' National Bank.....	Baltimore, Md.....	20,000	105.50
1398	do.....	do.....	20,000	106.50
1399	do.....	do.....	10,000	107.50
1400	Baldwin & Gleason Co., Limited.....	New York.....	1,000	106
1401	do.....	do.....	1,000	106.50
1402	do.....	do.....	1,000	107
1403	do.....	do.....	1,000	107.50
1404	do.....	do.....	1,000	108
1405	do.....	do.....	1,000	108.50
1406	do.....	do.....	1,000	109
1407	do.....	do.....	1,000	109.50
1408	do.....	do.....	1,000	110
1409	do.....	do.....	1,000	110.50
1410	Hecht Bros. & Co.....	Boston, Mass.....	100,000	107
1411	do.....	do.....	100,000	108
1412	do.....	do.....	100,000	109
1413	do.....	do.....	50,000	109.50
1414	do.....	do.....	50,000	110
1415	do.....	do.....	50,000	110.50
1416	do.....	do.....	50,000	110.50
1417	do.....	do.....	50,000	111
1418	First National Bank.....	Niles, Ohio.....	40,000	112.7815
1419	Old National Bank.....	Grand Rapids, Mich.....	150,000	109.25
1420	James M. Barnett.....	do.....	10,000	109.25
1421	William Frost.....	do.....	1,000	110
1422	F. Luttgert.....	do.....	2,000	109.25
1423	William Kramer.....	do.....	3,000	109.25
1424	Joseph H. Martin.....	do.....	10,000	109.25
1425	Mrs. Hannah M. Peck.....	do.....	300	109.25
1426	Calvin Page.....	Portsmouth, N. H.....	50,000	109.10
1427	Frances L. Foris.....	Kansas City, Mo.....	500	112.25
1428	Mary E. Barker.....	do.....	5,000	112.25
1429	C. E. Floete.....	Armour, S. Dak.....	5,000	111.11
1430	Yankton National Bank.....	Yankton, S. Dak.....	25,000	104.50
1431	First National Bank.....	Atchison, Kans.....	50,000	110
1432	Edwin L. Paddock.....	Watertown, N. Y.....	10,000	107.25

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1433	Heber J. May.....	Washington, D. C.....	\$1,000	110
1434	C. Andel.....	Belleville, Ill.....	10,000	107
1435	First National Bank.....	do.....	10,000	112
1436	do.....	do.....	10,000	111
1437	do.....	do.....	10,000	110
1438	do.....	do.....	10,000	109
1439	do.....	do.....	10,000	108
1440	do.....	do.....	10,000	107
1441	do.....	do.....	10,000	106
1442	do.....	do.....	10,000	105
1443	New Orleans National Bank.....	New Orleans, La.....	100,000	114.0506
1444	Vermont National Bank.....	Brattleboro, Vt.....	5,000	111.25
1445	do.....	do.....	10,000	109.75
1446	do.....	do.....	10,000	110.50
1447	Samuel B. Kennedy.....	Bradford, Pa.....	25,000	108
1448	do.....	do.....	25,000	109
1449	Second National Bank.....	Washington, D. C.....	30,000	109.0856
1450	Charles D. Barney & Co.....	Philadelphia, Pa.....	10,000	109.0856
1451	People's Trust Co.....	Brooklyn, N. Y.....	100,000	112.7814
1452	David J. Pearsall.....	Mauch Chunk, Pa.....	50,000	108
1453	do.....	do.....	50,000	109
1454	do.....	do.....	50,000	110
1455	W. H. Keeler.....	Philadelphia, Pa.....	2,700	108
1456	First National Bank.....	Seranton, Pa.....	100,000	107.90
1457	Hibernia National Bank.....	New Orleans, La.....	50,000	111.53
1458	Home Insurance Co.....	New York.....	50,000	108
1459	do.....	do.....	50,000	108.50
1460	do.....	do.....	50,000	109
1461	do.....	do.....	50,000	109.50
1462	do.....	do.....	50,000	110
1463	Michigan National Bank.....	Kalamazoo, Mich.....	25,000	107
1464	Hibernia National Bank.....	New Orleans, La.....	100,000	109.0856
1465	do.....	do.....	50,000	110.2992
1466	B. F. Ensign.....	6104 Woodlawn avenue Chicago, Ill.....	90,000	109.26
1467	Second National Bank.....	Hoboken, N. J.....	20,000	110.50
1468	David P. Jarvis.....	Poland, N. Y.....	1,500	104.50
1469	First National Bank.....	Tamaqua, Pa.....	15,000	110
1470	Nevada Bank.....	San Francisco, Cal.....	200,000	115
1471	The Nevada Bank of San Francisco.....	San Francisco, Cal.....	100,000	114
1471	do.....	do.....	100,000	113.25
1471	do.....	do.....	100,000	112.80
1472	Phil Barth.....	440 California street, San Francisco, Cal.....	120,000	110
1473	H. W. Lambertson.....	Winona, Minn.....	30,000	109
1474	do.....	do.....	30,000	111
1475	C. F. Akers.....	Orlando, Fla.....	150,000	113.125

1475	do.....	do.....	250,000	112.125
1476	do.....	do.....	500,000	110.375
1477	Troy City National Bank.....	Troy, N. Y.....	50,000	108.25
1478	George A. Stone.....	do.....	10,000	108.25
1479	J. Dormer.....	36 Pine street, New York.....	10,000	107.25
1480	A. Banks & Co.....	New York.....	10,000	106
1481	do.....	do.....	10,000	105.50
1482	do.....	do.....	10,000	105
1483	do.....	do.....	10,000	104.50
1484	Champion Bissell.....	do.....	10,000	104
1485	Francis W. James.....	165 Broadway, New York.....	50,000	107.89
1486	Oswego City Savings Bank.....	Port Townsend, Wash.....	2,500	106
1487	Merchants' National Bank.....	Oswego, N. Y.....	10,000	110.55
1488	The State Savings Bank.....	St. Paul, Minn.....	250,000	109
1489	Andrew Thorbus.....	do.....	10,000	110.2992
1490	La Crosse National Bank.....	Onalaska, Wis.....	6,000	110
1491	E. Virginia Kennedy.....	La Crosse, Wis.....	50,000	109.125
1492	William Larrabee.....	Omaha, Nebr.....	500	112
1493	Farmers' National Bank.....	Clermont, Iowa.....	10,000	108
1494	do.....	Webster City, Iowa.....	12,500	110.85
1495	George A. Foster.....	do.....	2,500	109.09
1496	Joshua Pool.....	487 West Lake street, Chicago, Ill.....	100	112
1497	Citizens' Bank of Juneau.....	Greensburg, Ind.....	5,000	108.50
1498	Estate of G. C. Hixon.....	Juneau, Wis.....	1,000	114.0506
1499	People's Trust and Savings Bank.....	La Crosse, Wis.....	25,000	109.25
1500	do.....	Clinton, Iowa.....	10,000	110
1501	do.....	do.....	10,000	109
1502	S. J. Curtis.....	New York.....	1,000	110.25
1503	Keokuk Savings Bank.....	Keokuk, Iowa.....	27,000	111
1504	Burns & Marshall.....	Wadesboro, N. C.....	100,000	108
1505	C. W. Hudson.....	Phoenixville, Pa.....	450	107
1506	Leon Tanenbaum.....	19 New street, New York.....	2,000	106.50
1507	D. J. Tew.....	Rushford, Minn.....	2,000	110
1508	Sam Weinstein.....	114 Monroe street, New York.....	1,000	105
1509	National State Bank.....	Troy, N. Y.....	20,000	110
1510	do.....	do.....	20,000	110
1511	G. V. Lewis.....	Roper, N. C.....	1,000	101.50
1512	William B. Wright.....	Orwell, Vt.....	1,000	114
1513	Mary E. Garrett.....	146 North Thirteenth street, Philadelphia, Pa.....	100	110
1514	Jane L. Grove.....	Philadelphia, Pa.....	100	110
1515	A. Frauckenhoff.....	16 Putnam avenue, Brooklyn, N. Y.....	5,000	105
1516	do.....	do.....	5,000	106
1517	do.....	do.....	5,000	107
1518	do.....	do.....	5,000	108
1519	do.....	do.....	5,000	109
1520	Mrs. Dora Bearman.....	St. Joseph, Mo.....	10,000	112
1521	State Bank.....	Richland Center, Wis.....	5,000	109.0856
1522	C. F. Brunn.....	102 Broad street, New York.....	500	108
1523	Abraham Baer.....	New York.....	3,000	112
1524	David Abelow.....	144 Baret street, Brooklyn, N. Y.....	1,000	110
1525	Harris Abelloff.....	123 Siegel street, Brooklyn, N. Y.....	1,000	110

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1526	E. A. Fairchild.....	8 Exchange court, New York.....	\$2, 000	110
1527	Sam Lyon.....	629 Leonard street, Greenpoint, Long Island.....	50, 000	107.89
1528	C. F. Brunn.....	New York.....	500	109
1529	Oren Macomber.....	South Easton, Mass.....	6, 000	108
1530	N. H. Hamm.....	415 East Utica street, Buffalo, N. Y.....	750	109.0856
1531	Mrs. Josie Marks.....	1187 Lexington avenue, New York.....	1, 000	110
1532	Frank Samuel.....	114 South Twenty-second street, Philadelphia, Pa.....	100	110.29
1533	Union National Bank.....	Mahanoy City, Pa.....	25, 000	109.50
1534	Nathan Polen.....	517 East Eighty-second street, New York.....	1, 000	110
1535	S. F. Johnson & Co.....	18 Wall street, New York.....	10, 000	109.01
1536	Adolph R. Frank.....	27 Pine street, New York.....	15, 000	109.50
1537	Daniel M. Bonney.....	Farmington, Me.....	13, 000	110
1538	do.....	do.....	13, 000	111
1539	do.....	do.....	10, 000	108.50
1540	do.....	do.....	10, 000	110.50
1541	do.....	do.....	15, 000	107.50
1542	do.....	do.....	15, 000	106
1543	do.....	do.....	10, 000	109.50
1544	First National Bank.....	Memphis, Tenn.....	100, 000	108
1545	Citizens' State Bank.....	Whitewater, Wis.....	25, 000	108
1546	J. M. and R. W. Wade.....	Blakely, Ga.....	10, 000	110
1547	Selmar Hess.....	557 Broadway, New York.....	10, 000	109
1548	David D. Cassidy.....	Amsterdam, N. Y.....	10, 000	109.10
1549	Franklin E. Lowry.....	Granger, Ind.....	50	109
1550	Thomas F. Balfé.....	Newburg, N. Y.....	5, 000	108.50
1551	Union Bank.....	Jackson, Mich.....	10, 000	110.3
1552	do.....	do.....	10, 000	109.7
1553	John Blackmar.....	Columbus, Ga.....	5, 000	115
1554	do.....	do.....	5, 000	110
1555	Rockford National Bank.....	Rockford, Ill.....	26, 000	110.375
1556	City National Bank.....	Marshalltown, Iowa.....	25, 000	109.0856
1557	Henry Hubertus.....	Dansville, N. Y.....	500	112.50
1558	Morris Barit.....	170 East One hundred and thirteenth street, New York.....	1, 000	110
1559	M. M. Green.....	New York.....	5, 000	110.75
1560	Daniel M. Bonney.....	Farmington, Me.....	10, 000	109
1561	do.....	do.....	15, 000	106.50
1562	do.....	do.....	15, 000	107
1563	do.....	do.....	10, 000	109.10
1564	First National Bank.....	Dexter, Me.....	5, 000	110.125
1565	William E. Dante.....	East Worcester, N. Y.....	10, 000	108.64
1566	C. E. Davis.....	St. Helena, Cal.....	1, 500	103.2816
1567	John Gissel.....	Dodge City, Kans.....	300	107
1568	Lafayette Bank.....	St. Louis, Mo.....	50, 000	109.0856
1569	Robert H. Cook.....	Whitehall, N. Y.....	10, 000	108
1570	First State Bank.....	Columbus, Miss.....	20, 000	112

1571	Merchants' National Bank.....	Whitehall, N. Y.....	10,000	107
1572	First National Bank.....	Mobile, Ala.....	30,000	108.75
1573	do.....	do.....	30,000	109
1574	do.....	do.....	30,000	109.25
1575	do.....	do.....	15,000	109.50
1576	do.....	do.....	15,000	110
1577	H. C. Leistikow.....	Meadville, Pa.....	500	111.50
1578	Charles W. Barney & Co.....	Philadelphia, Pa.....	10,000	108.50
1579	W. F. Frost.....	31 Broadway, New York.....	100,000	109.75
1580	James V. Ellison.....	415 Chestnut street, Philadelphia, Pa.....	3,000	110
1581	Samuel Heckert.....	Shamokin, Pa.....	1,000	110
1582	Ulysses F. John.....	do.....	5,000	109
1583	Mrs. Florence J. Wheat.....	Putney, Vt.....	2,000	112
1584	G. Netter.....	305 Main street, Hartford, Conn.....	50,000	109.75
1585	Anna B. Baker.....	Windham, Conn.....	5,000	108.50
1586	National Bank.....	Boyertown, Pa.....	10,000	107.8900
1587	do.....	do.....	10,000	110.2992
1588	Lederer Bros.....	Box 732, Baltimore, Md.....	2,000	104.75
1589	do.....	do.....	2,000	105.75
1590	do.....	do.....	2,000	106.75
1591	do.....	do.....	2,000	107.75
1592	do.....	do.....	2,000	108.75
1593	R. R. Robinson & Co.....	Wilmington, Del.....	11,500	109.0856
1594	Bank of West Union.....	West Union, Iowa.....	10,000	108
1595	A. Elizabeth Deppen.....	Meyerstown, Pa.....	50	114
1596	George H. Marsh.....	Mankato, Minn.....	10,000	116.70
1597	B. T. Beans.....	Elk Grove, Cal.....	2,500	113.50
1598	Lewis Beltz.....	North Penn, Pa.....	1,400	105
1599	Lucius P. Barry.....	Saxtons River, Vt.....	300	113
1600	Citizens' National Bank.....	Des Moines, Iowa.....	100,000	108
1601	Penn National Bank.....	Reading, Pa.....	a 50,000	110
1602	Tama County State Bank.....	Gladbrook, Iowa.....	12,500	106.7121
1603	F. B. Sheldon.....	Cheyenne, Wyo.....	1,000	107
1604	do.....	do.....	1,000	109
1605	Gertrude Spitzer.....	3546 North Broad street, Philadelphia, Pa.....	1,000	107.50
1606	Fidelity Title and Deposit Co.....	Newark, N. J.....	55,000	111
1607	Brattleboro Savings Bank.....	Brattleboro, Vt.....	25,000	109.25
1608	do.....	do.....	25,000	107.125
1609	James D. Smith & Co.....	42 Broad street, New York.....	10,000	108
1610	do.....	do.....	10,000	107.75
1611	do.....	do.....	10,000	107.50
1612	do.....	do.....	10,000	107.25
1613	do.....	do.....	25,000	107.75
1613	do.....	do.....	25,000	107.25
1613	do.....	do.....	25,000	106.75
1613	do.....	do.....	25,000	106.50
1614	Second National Bank.....	Cumberland, Md.....	20,000	104.4082
1614	do.....	do.....	10,000	105.5516
1614	do.....	do.....	20,000	100
1615	First National Bank.....	Red Bank, N. J.....	100,000	105

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TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1616	Gustav Kaufmann	129-131 Grand street, New York	\$10,000	108.25
1617	Estate of Leopold Kaufmann	New York	15,000	109.125
1618	Nita Maynard	do	1,500	100
1619	A. M. Kidder & Co	18 Wall street, New York	110,000	110
1620	do	do	100,000	107
1621	The National Bank of Commerce	Cleveland, Ohio	200,000	109.50
1622	do	do	100,000	108
1623	Ellenville Savings Bank	Ellenville, N. Y.	25,000	110.03
1624	do	do	15,000	109.27
1625	Arthur L. Parmelee	Elizabeth, N. J.	100	105
1625	do	do	100	105.50
1625	do	do	100	106
1625	do	do	100	106.50
1625	do	do	100	107
1626	D. O. Mills	15 Broad street, New York	200,000	107
1627	Drovers and Mechanics' National Bank	Baltimore, Md	6,000	111
1627	do	do	10,000	106
1627	do	do	10,000	106.50
1627	do	do	20,000	107
1627	do	do	10,000	107.50
1628	Ellis H. Roberts	187 Greenwich street, New York	1,000	106
1629	do	do	1,000	107
1630	do	do	1,000	108
1631	do	do	1,000	109
1632	do	do	1,000	110
1633	Farmers and Merchants' National Bank	Baltimore, Md	200,000	109.0856
1634	Popper & Stern	New York	250,000	108.06
1635	J. Q. Kern	Box 265, Washington, D. C.	400	.....
1636	Lee County Savings Bank	Fort Madison, Iowa	15,000	108
1637	Iowa State National Bank	Sioux City, Iowa	10,000	110
1638	do	do	10,000	109.50
1639	do	do	10,000	109
1640	do	do	10,000	108.50
1641	do	do	10,000	108
1642	Lambertville National Bank	Lambertville, N. J.	15,000	109.50
1643	Oscar H. Will	Fayetteville, N. Y.	1,000	107
1644	Henry Schiff	96-98 Franklin street, New York	50,000	109
1645	Charles W. Spooner	111 Broadway, New York	1,000	108
1646	Daniel A. Moran & Co	New York	6,000,000	106.17
1647	National Bank	Oshkosh, Wis.	50,000	110.125
1648	Gustav Wisselinsk	San Francisco, Cal.	150	105
1649	B. Pickman Mann	Room 245, Patent Office, Interior Department, Washington, D. C.	50	110
1650	F. H. Tackaberry	1921 Madison avenue, New York	100,000	109.79
1651	Hopkins Place Savings Bank	Baltimore, Md	10,000	109.10
1652	do	do	20,000	108.10

1653	do	do	do	13,000	107.50
1654	do	do	do	30,000	107.10
1655	do	do	do	13,000	107
1656	do	do	do	40,000	106.10
1657	Quassaick National Bank	Newburg, N. Y.	do	25,000	109.09
1658	do	do	do	25,000	107.90
1659	do	do	do	20,000	106.72
1660	Joseph F. Lippe	403 East Fifty-fourth street, New York	do	5,000	106
1661	Henry I. Lippe	do	do	10,000	106
1662	Chester C. Corbin	Webster, Mass.	do	25,000	106
1663	E. J. Messema, M. D.	144 Second avenue, New York	do	2,000	106
1664	Citizens' National Bank	Yonkers, N. Y.	do	25,000	108
1665	Wallis Smith	do	do	1,000	110.2992
1666	First National Bank	Paterson, N. J.	do	100	105
1667	do	do	do	25,000	108
1668	do	do	do	200	109
1669	do	do	do	6,000	109.08
1670	Grant Bros	56 Broadway, New York	do	100,000	108
1671	do	do	do	100,000	106
1672	National State Bank	Newark, N. J.	do	25,000	109.095
1673	do	do	do	25,000	110.30
1674	do	do	do	25,000	111.60
1675	Leesburg & County State Bank	Leesburg, Fla.	do	3,000	112
1676	Union County Savings Bank	Elizabeth, N. J.	do	25,000	109.0856
1677	First National Bank	Ipswich, Mass.	do	2,000	111
1678	Albert W. Bee	40 West street, Boston, Mass.	do	100,000	110.3
1679	The Brookline National Bank	Brookline, Mass.	do	25,000	111
1680	Hackett & Chadsey	Easton, Pa.	do	20,000	108
1681	First National Bank	Marengo, Iowa	do	12,500	111
1682	Farmers' National Bank	Allentown, N. J.	do	15,250	109.0856
1683	Eutaw Savings Bank	Baltimore, Md.	do	100,000	110
1684	do	do	do	100,000	107
1685	do	do	do	100,000	108
1686	do	do	do	100,000	109
1687	do	do	do	100,000	111
1688	Stephen H. Emmens	1 Broadway, New York	do	1,000,000	107
1689	Doylestown National Bank	Doylestown, Pa.	do	10,000	112
1690	do	do	do	10,000	111
1691	do	do	do	10,000	110.50
1692	do	do	do	20,000	109.25
1693	The First National Bank	Rochester, Minn.	do	20,000	110.3
1694	Agnes Scott	235 Pelham road, Germantown, Pa.	do	1,400	112
1695	The Riverhead Savings Bank	Riverhead, N. Y.	do	52,000	109.25
1696	R. B. Sperry & Co.	Baltimore, Md.	do	50,000	110.02
1697	do	do	do	50,000	107.78
1698	R. K. Wright, jr., treasurer	1408 Chestnut street, Philadelphia, Pa.	do	700	110.2992
1699	Home National Bank	Ellenville, N. Y.	do	10,000	107
1700	Albert F. Fuerst	2 Stone street, New York	do	2,500	108.60
1701	do	do	do	2,500	108.10
1702	Lee, Livingston & Co.	19 William street, New York	do	25,000	109.50

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TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1703	George H. Gould	228 Pavonia avenue, Jersey City, N. J.	\$100	110
1704	First National Bank	Ottumwa, Iowa	60,000	106
1705	W. B. Bonfield	do	40,000	101.0778
1706	The National Bank of Baltimore	Baltimore, Md	100,000	110
1707	Third National Bank	Rockford, Ill.	35,000	110.375
1708	do	do	20,000	108.10
1709	do	do	20,000	109.10
1710	Avery Horton	Ithaca, N. Y.	10,000	112
1711	John M. Bayless	Cassville, Mo	10,000	100
1712	City National Bank	Holyoke, Mass.	100,000	109.085
1713	do	do	50,000	107.89
1714	do	do	50,000	106.712
1715	Franklin County National Bank	Greenfield, Mass.	10,000	109.25
1716	do	do	10,000	109
1717	do	do	10,000	108.75
1718	H. S. Howe	Washington, D. C.	5,000	115
1719	George M. Wright	New York City	2,000	109.0856
1720	Westchester County National Bank	Peekskill, N. Y.	40,000	108
1721	do	do	20,000	109
1722	do	do	20,000	110
1723	Putnam County National Bank	Carmel, N. Y.	10,000	105.50
1724	do	do	10,000	106.50
1725	do	do	10,000	107.50
1726	do	do	10,000	108.50
1727	do	do	10,000	109.50
1728	Sprague National Bank	Brooklyn, N. Y.	50,000	109.125
1729	do	do	50,000	110.125
1730	National Bank of Coatesville	Coatesville, Pa.	15,000	110.2992
1731	do	do	10,000	108
1732	First National Bank	West Point, Nebr.	12,000	111
1733	Jenkintown National Bank	Jenkintown, Pa.	10,000	112
1734	do	do	10,000	110
1734	do	do	10,000	108
1735	First National Bank	Wrightsville, Pa.	10,000	109.05
1736	Baker-Boyer National Bank	Walla Walla, Wash.	50,000	113
1737	A. G. Verrinder	96 Broadway, New York.	10,000	111.125
1738	do	do	10,000	110.125
1739	do	do	10,000	109.125
1740	do	do	10,000	107.75
1741	do	do	10,000	106.25
1742	Fowler Bros., Limited	Produce Exchange building, New York	25,000	110
1743	do	do	25,000	109
1744	do	do	25,000	108
1745	do	do	25,000	107
1746	do	do	50,000	106

1747	do.....	do.....	50,000	105
1748	do.....	do.....	100,000	104
1749	Orthout Z. Whitehead.....	116 Produce Exchange Building, New York.....	50,000	105
1750	do.....	do.....	50,000	104
1751	do.....	do.....	100,000	103
1752	do.....	do.....	100,000	102
1753	do.....	do.....	100,000	101
1754	do.....	do.....	100,000	100
1755	First National Bank.....	Duluth, Minn.....	50,000	108.1875
1756	Second National Bank.....	Paterson, N. J.....	25,000	107
1757	First National Bank.....	Pittston, Pa.....	100,000	108.50
1758	John Casey.....	Jersey City, N. J.....	11,000	105
1759	German American National Bank.....	Peoria, Ill.....	10,000	108
1760	Central National Bank.....	Lynn, Mass.....	20,000	110.2992
1761	Schalk Bros.....	28 New street, New York.....	10,000	106
1762	J. C. Turnbull.....	14 Wall street, New York.....	20,000	107
1763	Ranald George Macdonald.....	81 Pine street, New York.....	20,000	109
1764	Charles F. Enright.....	St. Joseph, Mo.....	33,000	109.095
1765	do.....	do.....	35,000	107.032
1766	do.....	do.....	32,000	104.437
1767	City National Bank.....	Cairo, Ill.....	25,000	109
1768	do.....	do.....	25,000	108
1769	do.....	do.....	25,000	107
1770	National Bank of the Republic.....	Washington, D. C.....	3,000	111.50
1771	Merchants' National Bank.....	Omaha, Nebr.....	100,000	109.50
1772	W. G. Irwin.....	Care of E. M. Robinson, Fifth and Chestnut streets, Philadelphia, Pa.....	60,000	109.0856
1773	do.....	do.....	90,000	109.0856
1774	William W. Baker.....	128 Broadway, New York.....	30,000	106.75
1775	Southport National Bank.....	Southport, Conn.....	50,000	110
1776	Lehigh Valley Trust and Safe Deposit Co.....	Allentown, Pa.....	15,000	108
1777	Alfred G. Saeger.....	do.....	15,000	110.5
1778	Shelburne Falls Savings Bank.....	Shelburne Falls, Mass.....	10,000	111
1779	do.....	do.....	10,000	109.50
1780	Shelburne Falls National Bank.....	do.....	25,000	112
1781	do.....	do.....	25,000	109
1782	Massasoit National Bank.....	Fall River, Mass.....	14,000	110
1783	do.....	do.....	10,000	109
1784	do.....	do.....	20,000	108.25
1785	do.....	do.....	75,000	107.75
1785½	do.....	do.....	50,000	100
1786	H. A. Thompson Banking Co.....	Salineville, Ohio.....	2,500	112.80
1787	do.....	do.....	2,500	110
1788	George S. Sharp.....	do.....	1,600	110
1789	do.....	do.....	1,600	112
1790	Bell Sharp.....	do.....	2,700	112
1791	W. P. Sharp.....	do.....	1,800	112
1792	German American Bank.....	St. Louis, Mo.....	100,000	109
1793	American Exchange Bank.....	do.....	50,000	112.50
1794	do.....	do.....	50,000	112
1795	Rufus R. Humphrey.....	Churubusco, N. Y.....	10,000	119.3229
1796	Nebraska National Bank.....	Omaha, Nebr.....	25,000	110.75
1797	Ed. Murphy.....	do.....	5,000	111

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1798	J. S. Collins	Omaha, Nebr	\$5,000	112
1799	Nettie W. Collins	do	5,000	112
1800	Nebraska National Bank	do	25,000	111.75
1801	do	do	25,000	109.25
1802	do	do	25,000	107.25
1803	do	do		
1804	do	do		
1805	do	do		
1806	do	do		
1807	do	do		
1808	do	do		
1809	do	do		
1810	Citizens' National Bank	Knoxville, Iowa	10,000	110.50
1811	Sutro & Co	San Francisco, Cal	50,000	111.66
1812	do	do	100,000	113.06
1813	do	do	100,000	114.13
1814	Kanick Riggs	do	5,000	105
1815	Charles Bovone	56 Wall street, New York	100	109
1816	Walden Savings Bank	418 Green street, San Francisco, Cal	15,000	109
1817	A. C. Deyo	Walden, N. Y	500	108.48
1818	Lambertville National Bank	86 Court street, Binghamton, N. Y	10,000	110.50
1819	Gloster Armstrong	Lambertville, N. J	10,000	109.0856
1820	J. W. Tausig	81 New street, New York	1,000	112
1821	Henry O. Clark	111 Wall street, New York	6,000	108
1822	The First National Bank	18 Dey street, New York	100,000	109.50
1823	L. R. Shellenberger	Rondout, N. Y	450	108.50
1824	Henry W. Waterworth	Phoenixville, Pa	1,850	107.89
1825	City National Bank	64 Cedar street, New York	30,000	108.50
1826	M. Theresa Keehmle, treasurer	Plainfield, N. J	2,600	105
1827	Jos. A. Wallace	1315 Arch street, Philadelphia, Pa	1,000	104.4082
1828	Yorkville Bank	1311 Columbia Building, Norfolk, Va	10,000	105
1829	do	New York	5,000	105.50
1830	do	do	10,000	106
1831	do	do	5,000	106.50
1832	do	do	5,000	107
1833	do	do	5,000	107.50
1834	do	do	5,000	108
1835	do	do	5,000	108.50
1836	do	do	5,000	109
1837	Theo. W. Myers & Co	44-46 Broadway, New York	50,000	111
1838	do	do	25,000	110
1839	do	do	25,000	109.51
1840	do	do	25,000	109.26
1841	do	do	25,000	109.01
1842	do	do	25,000	108.76

Duplicate of bids 1796 to 1802, inclusive.

1843	do	do	do	25,000	108.51
1844	do	do	do	25,000	108.26
1845	do	do	do	25,000	108.01
1846	Alonzo H. Evans	Boston, Mass.	do	25,000	111.531
1847	The Mechanics' National Bank	New Bedford, Mass.	do	101,000	110.30
1848	New Bedford Institution for Savings	do	do	100,000	110.30
1849	National Bank of the Commonwealth	Boston, Mass.	do	100,000	109
1849	do	do	do	100,000	109.25
1849	do	do	do	100,000	109.50
1849	do	do	do	100,000	109.75
1849	do	do	do	100,000	110
1849	do	do	do	100,000	110.25
1849	do	do	do	100,000	110.50
1849	do	do	do	100,000	110.75
1849	do	do	do	100,000	111
1849	do	do	do	100,000	111.25
1850	First National Bank	do	do	100,000	108
1850	do	do	do	100,000	109
1850	do	do	do	125,000	110
1850	do	do	do	25,000	112
1851	Guilford Dudley	Topeka, Kans.	do	10,000	111.50
1852	Harry Finson	Giant, Cal.	do	500	112.20
1853	Emma Morgenste	45 West Eighty-eighth street, New York	do	10,000	110.35
1854	Wells, Fargo & Co. Bank	New York	do	100,000	109.25
1855	E. D. Robie	Washington, D. C.	do	50	116
1856	Independence National Bank	Philadelphia, Pa.	do	75,000	107
1857	do	do	do	75,000	108
1858	do	do	do	3,000	109
1859	Traders' League	do	do	7,000	109
1860	Old Colony National Bank	Plymouth, Mass.	do	2,500	112
1861	do	do	do	25,000	111.50
1862	William T. Cunningham	Gloucester, Mass.	do	10,000	111.05
1863	Tower Giddings Co.	Boston, Mass.	do	5,000	111
1864	do	do	do	50,000	110.25
1865	do	do	do	25,000	110.125
1866	do	do	do	25,000	109.625
1867	do	do	do	50,000	109.125
1868	do	do	do	50,000	108.625
1869	do	do	do	100,000	108.125
1870	do	do	do	50,000	107.625
1871	do	do	do	50,000	107.125
1872	do	do	do	50,000	106.625
1873	do	do	do	50,000	106.125
1874	do	do	do	50,000	105.625
1875	Merchants National Bank	do	do	100,000	111.60
1876	do	do	do	100,000	110.2992
1877	do	do	do	50,000	110.25
1878	do	do	do	50,000	110.21
1879	do	do	do	50,000	110
1880	do	do	do	100,000	109.085
1881	do	do	do	100,000	108
1882	do	do	do	100,000	107

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1883	Merchants National Bank.....	Boston, Mass.....	\$100,000	106
1884	American Union Life Insurance Co.....	New York.....	25,000	110.10
1885	do.....	do.....	25,000	109.10
1885	do.....	do.....	25,000	109.60
1885	do.....	do.....	25,000	108.60
1886	Hocking Valley National Bank.....	Lancaster, Ohio.....	5,000	110
1887	Hoskier, Wood & Co.....	46 Exchange place, New York.....	62,000	111.16
1888	do.....	do.....	50,000	108.83
1889	do.....	do.....	50,000	108.60
1890	do.....	do.....	50,000	108.30
1891	do.....	do.....	50,000	108.05
1892	do.....	do.....	50,000	107.60
1893	S. D. Nelson.....	Canton, Mo.....	500	100
1894	G. F. Hathaway.....	3 Central Wharf, Boston, Mass.....	100,000	108.33
1895	do.....	do.....	300,000	108.21
1896	do.....	do.....	300,000	108.27
1897	do.....	do.....	300,000	108.31
1898	Abram P. Andrew.....	Laporte, Ind.....	10,000	109
1899	Antony Wallach.....	12 East Sixty-third street, New York.....	25,000	109.50
1900	John Campbell.....	118 Warren street, New York.....	50,000	109
1901	Hibernia Savings and Loan Society.....	San Francisco, Cal.....	1,000,000	109.50
1902	Bank for Savings in the City of New York.....	New York.....	500,000	109.10
1903	do.....	do.....	500,000	108.26
1904	do.....	do.....	500,000	107.81
1905	Farmers and Traders' Bank.....	Hillsboro, Ohio.....	20,000	111.50
1906	Lenawee County Savings Bank.....	Adrian, Mich.....	15,000	108
1907	A. E. Dent.....	Hotel Richmond, Chicago, Ill.....	7,500	110
1908	First National Bank.....	Mobile, Ala.....	30,000	109
1909	Second National Bank.....	Utica, N. Y.....	50,000	109
1910	County National Bank.....	Clearfield, Pa.....	30,000	106
1911	National New Haven Bank.....	New Haven, Conn.....	50,000	107.11
1912	First National Bank.....	Danville, Pa.....	25,000	111
1913	Vermont National Bank.....	Brattleboro, Vt.....	50,000	109.77
1914	Columbian National Bank.....	Boston, Mass.....	50,000	109.10
1915	Quarryville National Bank.....	Quarryville, Pa.....	47,500	108.50
1916	First National Bank.....	Madison, Ind.....	25,000	110
1917	Western Travelers' Accident Association.....	Grand Island, Nebr.....	1,000	111
1918	Hartford National Bank.....	Hartford, Conn.....	100,000	110.30
1919	Charleston National Bank.....	Charleston, W. Va.....	70,000	110.25
1920	do.....	do.....	100,000	109.25
1921	L. Prichard.....	do.....	100,000	107.125
1922	Charleston National Bank.....	do.....	130,000	109.0625
1923	Myerstown Bank.....	Myerstown, Pa.....	10,000	107
1924	National Bank of the Northern Liberties.....	Philadelphia, Pa.....	100,000	110.35
1925	Martin Rothbarth & Co.....	26 Whitehall street, New York.....	100,000	109

1926	Albert Erdman.....	33 Broad street, New York.....	35,000	107
1927	do.....	do.....	35,000	108
1928	do.....	do.....	35,000	109
1929	The Quaker City National Bank.....	Philadelphia, Pa.....	10,000	112.50
1930	George de Mets.....	81 New street, New York.....	25,000	108.50
1931	Andrew Cuneo.....	28 Mulberry street, New York.....	5,000	109
1932	do.....	do.....	10,000	110
1933	Maria W. Andreas.....	1 Broadway, New York.....	12,000	113.15
1934	Cochran & Close.....	35 Wall street, New York.....	30,000	110
1935	Charles Head & Co.....	New York.....	200,000	108.50
1936	Quinsigamond National Bank.....	Worcester, Mass.....	10,000	111
1937	do.....	do.....	10,000	110.50
1938	The First National Bank of Paris.....	Paris, Ill.....	2,000	110.50
1939	Worcester Five Cents Savings Bank.....	Worcester, Mass.....	15,000	111.50
1940	do.....	do.....	15,000	112.50
1941	First National Bank.....	Chillicothe, Ohio.....	25,000	110
1942	The Phoenix National Bank.....	Hartford, Conn.....	50,000	109.125
1943	National Bank of the Republic.....	Boston, Mass.....	100,000	106.05
1944	do.....	do.....	100,000	107.05
1945	Orrin E. Frazee.....	318 Bissell Block, Pittsburg, Pa.....	1,600	111
1946	Commercial State Bank.....	Windsor, Ill.....	20,000	101
1947	Edwin J. Remick.....	Water street, Boston, Mass.....	120,000	112.7814
1948	do.....	do.....	150,000	110.3
1949	The Howard National Bank.....	Boston, Mass.....	25,000	110.31
1950	do.....	do.....	25,000	109.11
1951	do.....	do.....	25,000	109.11
1952	do.....	do.....	25,000	108.50
1953	do.....	do.....	25,000	108.50
1954	do.....	do.....	25,000	107.91
1955	Edgar M. Deming.....	60 Pynchon street, Roxbury, Boston, Mass.....	1,000	110
1956	Scottish Union and National Insurance Co.....	Hartford, Conn.....	100,000	108
1957	Carolina National Bank.....	Columbia, S. C.....	25,000	105
1958	Charles D. Archer, M. D.....	Imperial Hotel, New York.....	100,000	107.75
1959	John S. Armstrong.....	Wilmington, N. C.....	500,000	105.25
1960	do.....	do.....	100,000	106.25
1961	do.....	do.....	50,000	107.25
1962	do.....	do.....	50,000	108.25
1963	William A. Righter.....	765 Broad street, Newark, N. J.....	10,000	108
1964	Clearfield National Bank.....	Clearfield, Pa.....	10,000	109.10
1965	Hartford Trust Co.....	Hartford, Conn.....	25,000	107.60
1966	Union National Bank.....	Huntingdon, Pa.....	50,000	111
1967	Reuben W. Taylor.....	Sherburne, Vt.....	200	105.25
1968	National Tradesmen's Bank.....	New Haven, Conn.....	50,000	108.25
1969	Chester B. McLaughlin.....	Port Henry, N. Y.....	10,000	105.60
1970	Ricker National Bank.....	Quincy, Ill.....	250,000	105
1971	Central National Bank.....	Troy, N. Y.....	50,000	111.05
1972	Naumkeag National Bank.....	Salem, Mass.....	5,000	110
1973	Merchants' National Bank.....	New Haven, Conn.....	15,000	108.50
1974	do.....	do.....	15,000	108
1975	do.....	do.....	15,000	109
1976	do.....	do.....	15,000	109.4
1977	do.....	do.....	30,000	110

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
1977½	Merchants' National Bank.	New Haven, Conn.	\$10,000	110
1978	Citizens' National Bank.	Parkersburg, W. Va.	30,000	110.10
1979	Karl Von Wagner.	McKees Rocks, Pa.	200	111
1980	First National Bank.	Flatonia, Tex.	12,500	108
1981	First National Bank.	Bonham, Tex.	30,000	110.2992
1982	First National Bank.	Findlay, Ohio.	10,000	106.25
1983	do.	do.	10,000	107.50
1984	do.	do.	35,000	105
1985	Ira R. Hatch.	Valverde, Colo.	1,000	110
1986	First National Bank.	Flatonia, Tex.	12,500	104
1987	Henry F. J. Ricker, sr.	Quincy, Ill.	100,000	109
1988	First National Bank.	Berwick, Pa.	10,000	109
1989	Milford National Bank.	Milford, Mass.	25,000	112
1990	H. C. Ford.	209 Superior street, Cleveland, Ohio.	5,000	109.5
1991	National City Bank.	Cleveland, Ohio.	60,000	110.50
1992	Dime Savings Banking Co.	do.	40,000	108
1993	do.	do.	20,000	110.10
1994	do.	do.	20,000	111.10
1995	do.	do.	20,000	112.10
1996	Charles A. Sterne.	6518 Ross avenue, Chicago, Ill.	50	110
1997	George F. Sears.	31 Walnut street, Chicago, Ill.	100	110
1998	John J. Quinn.	54 Alexandria street, Chicago, Ill.	50	110
1999	James Boyce.	550 Sixty-seventh street, Chicago, Ill.	50	110
2000	M. C. Belean.	371 East Twenty-second street, Chicago, Ill.	50	110
2001	John H. O'Shea.	4036 Wabash avenue, Chicago, Ill.	50	110
2002	J. H. Goldamer.	3252 Fifth avenue, Chicago, Ill.	50	110
2003	Richard P. Lyman.	145 Twenty-third place, Chicago, Ill.	50	110
2004	Mrs. Maria Frien.	6021 Twenty-seventh street, Chicago, Ill.	400	110
2005	Northwestern National Bank.	West Superior, Wis.	25,000	105.56
2006	do.	do.	50,000	105.002
2007	do.	do.	45,000	102.172
2008	do.	do.	10,000	107.005
2009	do.	do.	25,000	101.078
2010	A. P. Daughters.	Moore's Hill, Ind.	100,000,000	107
2011	First National Bank.	Auburn, Ind.	12,500	109.086
2012	Bank of Pee Dee.	Rockingham, N. C.	5,000	110
2013	E. J. Barden.	Washington, D. C.	50	118
2014	National Bank of Smyrna.	Smyrna, Del.	50,000	110
2015	Second National Bank.	Allentown, Pa.	25,000	108.01
2015	do.	do.	25,000	108.51
2015	do.	do.	25,000	109.01
2015	do.	do.	3,000	110
2015	do.	do.	25,000	110.51
2015	do.	do.	25,000	111.01
2015	do.	do.	25,000	111.54

2016	Mary E. Fleming	Washington, D. C.	1, 100	113
2017	D. G. Fanning	Brooklyn, N. Y.	5, 000	105
2018	James P. Barnes	Allentown, Pa.	6, 000	107
2019	H. I. Freiwald	223 East Fifty-seventh street, New York.	20, 000	110.30
2020	Kinsman National Bank	Kinsman, Ohio.	12, 500	111.531
2021	J. A. Campbell	109 Grand street, New York.	20, 000	104.75
2022	Willard Burr	12 Wayne street, Roxbury, Mass.	50	110.125
2023	State Street Safe Deposit and Trust Co.	Boston, Mass.	25, 000	112
2024	do	do	60, 000	111.25
2025	do	do	50, 000	110.50
2026	do	do	50, 000	109.50
2027	J. Wendell P. Orne	48 Oxford street, Lynn, Mass.	1, 500	112
2028	Medford Savings Bank	Medford, Mass.	25, 000	111
2029	First National Bank	Malden, Mass.	10, 000	107.90
2030	W. S. H. Lothrop	26 Chestnut street, Boston, Mass.	20, 000	109
2031	Massachusetts Loan and Trust Co.	Boston, Mass.	50, 000	108
2032	John D. H. Luce	267 Clarendon street, Boston, Mass.	20, 000	110
2033	The National Bank of Auburn.	Auburn, N. Y.	25, 000	107
2034	The Naugatuck National Bank	Naugatuck, Conn.	125, 000	108
2035	The National Bank of Auburn.	Auburn, N. Y.	25, 000	106
2036	William J. Flather	Nashua, N. H.	1, 000	109
2037	Marine National Bank.	Bath, Me.	10, 000	110.30
2038	First National Bank of Middletown.	Middletown, N. Y.	20, 000	109
2039	Mechanics and Farmers' Savings Bank.	Bridgeport, Conn.	40, 000	109.9856
2040	James Howe	Boston Highlands, Mass.	1, 000	108
2041	John P. Woodbury	348 Commonwealth avenue, Boston, Mass.	3, 000	110
2042	People's National Bank	Winston, N. C.	20, 000	108
2043	First National Bank	Canton, N. Y.	10, 000	110.10
2044	Kanawha Valley Bank.	Charleston, W. Va.	2, 200	109.0856
2045	People's National Bank.	Brattleboro, Vt.	10, 000	109.20
2046	do	do	10, 000	110.30
2047	do	do	5, 000	111.60
2048	Hermann Winter	2 Bowling Green, New York	200	109
2049	C. Khysfel	do	2, 000	109
2050	L. Henermann	do	250	108
2051	John Snyder	Springfield, Ohio.	15, 000	110.30
2052	David L. Snyder	do	15, 000	110.30
2053	Amaziah Winger	do	1, 000	110.30
2054	Anthracite Savings Bank	Wilkesbarre, Pa.	25, 000	108.75
2055	Union Savings Bank and Trust Co.	Cincinnati, Ohio	50, 000	108.06
2056	do	do	50, 000	108.18
2057	do	do	50, 000	108.26
2058	do	do	50, 000	108.51
2059	do	do	50, 000	109.03
2060	do	do	50, 000	109.26
2061	do	do	50, 000	109.51
2062	do	do	50, 000	109.76
2063	do	do	50, 000	110.01
2064	German National Bank.	do	50, 000	110.13
2065	do	do	100, 000	108.14
2066	do	do	100, 000	109.13
	do	do	200, 000	109.26

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2067	German National Bank.....	Cincinnati, Ohio.....	\$100,000	109.52
2068	Solomon Roth.....	do.....	5,000	107
2069	Henry Pearce.....	Providence, R. I.....	25,000	110.01
2070	Second National Bank.....	Mechanicsburg, Pa.....	6,000	106.82
2071	Owego National Bank.....	Owego, N. Y.....	16,000	108
2072	N. E. Hall.....	Fort Ann, N. Y.....	5,000	110
2073	Frederick H. Briggs.....	Boston, Mass.....	5,000	105
2074	Auburn Savings Bank.....	Auburn, N. Y.....	25,000	110.50
2075	Second National Bank.....	Elmira, N. Y.....	50,000	110
2076	Erie County Savings Bank.....	Buffalo, N. Y.....	250,000	111
2077	First National Bank.....	Brockport, N. Y.....	50,000	110
2078	Franklin Savings Institution.....	Greenfield, Mass.....	50,000	110
2079	First National Bank.....	Winchendon, Mass.....	34,000	111.10
2080	National Phenix Bank.....	Westerly, R. I.....	20,000	112
2081	do.....	do.....	20,000	111.50
2082	do.....	do.....	20,000	111
2083	do.....	do.....	15,000	110.50
2084	August W. Nitsch.....	New York.....	100,000	111.10
2085	do.....	do.....	100,000	112.10
2086	William Strachey.....	665 Lexington avenue, New York.....	100,000	110.60
2087	August W. Nitsch.....	111 East Fifty-fourth street, New York.....	100,000	110.10
2088	William Strachey.....	New York.....	100,000	111.60
2089	First National Bank.....	Wilkinsburg, Pa.....	10,000	111.50
2090	City National Bank.....	Springfield, Mass.....	50,000	112
2091	The Society for Savings in the City of Cleveland.....	Cleveland, Ohio.....	75,000	111.50
2092	First National Bank.....	Allegheny, Pa.....	2,000	112.7814
2093	Commercial Bank.....	Martins Ferry, Ohio.....	5,000	112.50
2094	Woodstock National Bank.....	Woodstock, Vt.....	10,000	112.7814
2095	Second National Bank.....	Providence, R. I.....	10,000	110
2096	National Union Bank.....	Monticello, N. Y.....	25,000	111
2097	First National Bank.....	Salem, Mass.....	25,000	112
2098	(No name).....	148 West Ninety-fourth street, New York.....	300	113
2099	William R. Holden.....	Paterson, N. J.....	20,000	112.80
2100	Dave D. Newman.....	do.....	20,000	111.60
2101	Jacob Harris.....	Boston, Mass.....	100,000	111.531
2102	do.....	do.....	75,000	113
2103	Globe National Bank.....	do.....	2,000	110.125
2104	do.....	do.....	50,000	110.375
2105	do.....	do.....	50,000	110.2992
2106	Mary L. Prouty.....	Spencer, Mass.....	5,000	111.60
2107	Alonzo P. Weeks.....	Boston, Mass.....	4,000	112
2107	do.....	do.....	2,500	111.25
2107	do.....	do.....	15,000	110.2992
2107	do.....	do.....	15,000	109.0856
2107	do.....	do.....	15,000	108

2107	do	do	do	15,000	107
2107	do	do	do	15,000	106
2107	do	do	do	18,500	105
2108	Wayne County Savings Bank	Honesdale, Pa.	do	20,250	112
2109	National Bank	Westfield, N. Y.	do	20,000	110.50
2110	Henry R. Tracey	Roxbury, Mass	do	3,000	111.50
2111	do	20 Montrose street, Roxbury, Mass	do	3,000	110.50
2112	George C. Tichenor	125 Bleeker street, New York	do	5,000	110
2113	Rhode Island Hospital Trust Co.	Providence, R. I.	do	200,000	111.54
2114	do	do	do	300,000	110.92
2115	do	do	do	300,000	110.30
2116	do	do	do	300,000	109.70
2117	do	do	do	300,000	109.09
2118	do	do	do	500,000	105.56
2119	Springfield Safe Deposit and Trust Co.	Springfield, Mass	do	21,000	107
2120	do	do	do	20,000	108
2121	do	do	do	20,000	109.10
2122	do	do	do	45,000	110
2123	do	do	do	20,400	111
2124	Merchants' National Bank	Providence, R. I.	do	50,000	110.15
2125	do	do	do	50,000	110.05
2126	do	do	do	50,000	109.85
2127	do	do	do	50,000	109.55
2128	do	do	do	50,000	107.45
2129	do	do	do	50,000	107.05
2130	do	do	do	50,000	106.85
2131	do	do	do	50,000	106.65
2132	do	do	do	50,000	106.55
2133	do	do	do	50,000	106.35
2134	do	do	do	50,000	106.15
2135	do	do	do	50,000	106.05
2136	Mrs. Hattie A. Burr	Boston, Mass	do	1,000	109.625
2137	do	do	do	1,000	107.125
2138	do	do	do	1,500	110.125
2139	do	do	do	1,000	108.125
2140	Dobbs Ferry Bank	Dobbs Ferry, N. Y.	do	10,000	108
2141	Henry R. Tracey	20 Montrose street, Roxbury, Mass	do	3,000	109.50
2142	First National Bank	Fall River, Mass	do	10,000	109.75
2143	do	do	do	10,000	109.10
2144	do	do	do	10,000	108.725
2145	do	do	do	10,000	108.125
2146	do	do	do	10,000	107.725
2147	N. N. Betts	Towanda, Pa.	do	25,000	107.75
2148	Bristol County Savings Bank	Taunton, Mass	do	5,000	110.57
2149	do	do	do	5,000	110.07
2150	do	do	do	5,000	109.57
2151	do	do	do	6,000	109.07
2152	do	do	do	5,000	108.57
2153	National Bank of Commerce	New London, Conn	do	60,000	109.50
2154	Rochester Trust and Safe Deposit Co.	Rochester, N. Y.	do	75,000	110.10
2155	do	do	do	75,000	109.09
2156	do	do	do	25,000	108.50

TABLE No. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2157	Rochester Trust and Safe Deposit Co	Rochester, N. Y.	\$50,000	107.90
2158	do	do	25,000	107.10
2159	George Nichols	Rome, Pa.	10,000	102
2160	Globe National Bank	Boston, Mass.	50,000	109.0856
2161	Manufacturers' National Bank	do	50,000	108.625
2162	do	do	50,000	109.125
2163	do	do	50,000	109.625
2164	do	do	50,000	110.125
2165	do	do	100,000	110.63
2166	Edgerly & Crocker	28 State street, Boston, Mass.	25,000	110.125
2167	do	do	50,000	109.125
2168	do	do	75,000	108.125
2169	do	do	100,000	107.125
2170	do	do	125,000	106.125
2171	S. N. Chittenden	39 West Twenty-sixth street, New York.	10,000	105.50
2172	A. B. Campbell	2143 Seventh avenue, New York	20,000	109.10
2173	Atlantic National Bank	Boston, Mass.	100,000	109
2174	George R. Finch	Glens Falls, N. Y.	100	109
2175	William A. Shutze	118-120 South Charles street, Baltimore, Md.	1,000	109
2175	do	do	1,500	110
2176	Mary Armour Nichols	17 East Sixtieth street, New York.	2,000	109.50
2177	George Livingston	Center Village, N. Y.	150	103
2178	Joseph E. Gavin	18 West Swan street, Buffalo, N. Y.	800,000	106.80
2178	do	do	800,000	107.25
2178	do	do	800,000	107.50
2178	do	do	800,000	107.75
2178	do	do	800,000	108.25
2179	William L. Benedict	113 Devonshire street, Boston, Mass.	20,000	108
2180	First National Bank	Fernandina, Fla.	10,000	108.48
2181	Massasoit National Bank	Fall River, Mass.	20,000	109.25
2182	do	do	10,000	108
2183	Henry G. Russell	Providence, R. I.	5,000	110.15
2183	do	do	5,000	110.05
2183	do	do	5,000	109.85
2183	do	do	5,000	109.55
2184	D. Schnakenberg	6 Hanover street, New York.	20,000	109
2185	Donald W. MacLeod	293 Church street, New York.	28,000	108
2186	J. Dormer	36 Pine street, New York.	10,000	109.125
2187	First National Bank	Stamford, Conn.	10,000	108
2188	Henry Ford	209 Superior street, Cleveland, Ohio.	5,000	108.5
2189	Guardian Trust Co	Cleveland, Ohio.	5,000	107.375
2189	do	do	5,000	107.875
2189	do	do	50,000	108.50
2189	do	do	50,000	109.50
2190	First National Bank	Allegheny, Pa.	50,000	109.0856

2191	do	do	50,000	112.7814
2192	Society for Savings in the City of Cleveland	Cleveland, Ohio	200,000	106.76
2193	do	do	225,000	109.06
2194	do	do	200,000	108.38
2195	City National Bank	Springfield, Mass	50,000	108.25
2196	Athol Savings Bank	Athol, Mass	15,000	106.7121
2197	First National Bank	Greensburg, Pa	50,000	109
2198	William Strachey	665 Lexington avenue, New York	100,000	109.60
2199	First National Bank	Winchendon, Mass	30,000	109.10
2200	Birmingham National Bank	Derby, Conn	27,000	106
2200	do	do	29,000	108
2200	do	do	5,000	110
2201	First National Bank	Brockport, N. Y	50,000	108
2202	Hocking Valley National Bank	Lancaster, Ohio	5,000	108.10
2203	E. F. Barnett	Paterson, N. J	20,000	105.50
2204	George Ulrich	14 Alden street, Hartford, Conn	10,000	104.4082
2204	do	do	10,000	105.5516
2204	do	do	10,000	106.7121
2204	do	do	5,000	107.89
2204	do	do	5,000	109.0856
2205	C. C. Adams	46 Central Park west, New York	20,000	106.15
2206	W. R. Thompson & Co	Pittsburg, Pa	25,000	112
2207	do	do	30,000	110.25
2208	do	do	10,000	109
2209	do	do	25,000	108
2210	City National Bank	Dayton, Ohio	60,000	108
2211	First National Bank	Seaford, Del	12,500	108
2212	Lincoln National Bank	Chicago, Ill	25,000	110
2213	do	do	35,000	107
2214	Oscar E. Hatch	Littleton, N. H	5,000	108.50
2215	Littleton National Bank	do	5,000	110.125
2215	do	do	8,000	110.125
2215	do	do	20,000	110.125
2215	do	do	12,000	110.125
2215	do	do	15,000	110.125
2216	Augustus Wheeler	Milford, Mass	5,000	109.50
2217	do	do	2,000	108.51
2218	Miss Annie A. Daniels	23 Fifth avenue, New York	3,000	109.20
2219	D. Sickles	Boston, Mass	20,000	109
2220	S. E. Cassino	Worcester, Mass	1,200	110
2221	Henry P. Murray	115 West Forty-second street, New York	500	112
2222	R. S. Williams	Watson town, Pa	10,000	108
2223	Farmers' National Bank	do	5,000	110
2224	do	do	5,000	109
2225	do	do	5,000	106
2226	Henry I. Dorr, M. D.	Philadelphia, Pa	5,000	111.5310
2227	do	do	5,000	109.0856
2228	First National Bank	Nashua, N. H	5,000	110.29
2229	John H. Ormsbee	Providence, R. I	300	110
2230	Pittsburg National Bank of Commerce	Pittsburg, Pa	6,000	114.05
2231	do	do	300	108.50
2232	do	do	50,000	109.50

TABLE NO 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2233	Pittsburg National Bank of Commerce	Pittsburg, Pa.	\$50,000	108.50
2234	do	do	50,000	107.50
2235	Salt Springs National Bank	Syracuse, N. Y.	50,000	108
2236	A. R. Newton	Emlenton, Pa.	2,000	112.50
2237	First National Bank	New Kensington, Pa.	7,500	112.50
2238	do	do	10,000	111
2239	First National Bank	New Kensington, Pa.	10,000	110
2240	do	do	10,000	109
2241	do	Morristown, N. J.	25,000	108
2242	People's National Bank	Waynesboro, Pa.	15,000	110.30
2243	do	do	10,000	109.50
2244	Manufacturers' National Bank	Providence, R. I.	150,000	109.6924
2245	do	do	150,000	109.0856
2246	I. Bartlett Patten	Boston, Mass	4,000	112
2247	Fourth National Bank	do	50,000	110
2248	National Bank of Redemption	do	145,000	110.15
2249	do	do	50,000	110.25
2250	do	do	60,000	110
2251	do	do	60,000	109.60
2252	do	do	60,000	109.10
2253	do	do	60,000	108.60
2254	do	do	60,000	108.10
2255	do	do	5,000	107.90
2256	People's National Bank	Pittsburg, Pa.	105,000	109.77
2257	do	do	105,000	110.27
2258	First National Bank	Parkersburg, W. Va.	100,000	110.10
2259	Second National Bank	do	35,000	110
2260	C. H. Tenney	133 Ashley street, Hartford, Conn	10,000	107.25
2261	Slater National Bank	Pawtucket, R. I.	100,000	107
2262	do	do	100,000	108
2263	do	do	100,000	109.18
2264	First National Bank	Leetonia, Ohio	10,000	110
2265	Harrison P. Laird	Greensburg, Pa.	2,500	102
2266	New Hampshire Savings Bank	Concord, N. H.	10,000	110.25
2267	Centreville National Bank	Thurman, Ohio	5,000	110.125
2268	First National Bank	Fresno, Cal	10,000	103.2816
2269	do	do	10,000	104.4082
2270	do	do	10,000	109.0856
2271	do	do	10,000	114.0506
2272	do	do	10,000	119.3229
2273	City National Bank of Gloucester	Gloucester, Mass.	200,000	110.06
2274	Citizens' National Bank	Port Henry, N. Y.	12,500	108.50
2275	First National Bank	Tyrone, Pa.	50,000	109.0856
2276	State Bank of Syracuse	Syracuse, N. Y.	10,000	109
2277	Henry M. Dechert	513 Drexel Building, Philadelphia, Pa.	1,000	108

2278	Lidia Lester.....	1018 Mount Vernon street, Philadelphia, Pa.....	3, 000	100
2279	Merchants' National Bank.....	Shenandoah, Pa.....	25, 000	110. 50
2280	Citizens' National Bank.....	Pottstown, Pa.....	5, 000	107. 89
2281	do.....	do.....	5, 000	109. 0856
2282	do.....	do.....	5, 000	110. 2992
2283	do.....	do.....	5, 000	111. 5310
2284	do.....	do.....	5, 000	112. 7814
2285	East Stroudsburg National Bank.....	East Stroudsburg, Pa.....	20, 000	109
2286	Commercial National Bank.....	Houston, Tex.....	50, 000	106. 25
2287	do.....	do.....	50, 000	107. 25
2288	The New York Savings Bank.....	New York.....	100, 000	110
2289	Fallskill National Bank.....	Poughkeepsie, N. Y.....	50, 000	110. 25
2290	Isaac W. Sherrell.....	do.....	100, 000	110. 25
2291	do.....	do.....	100, 000	110. 125
2292	Knoxville National Bank.....	Knoxville, Iowa.....	10, 000	109. 50
2293	do.....	do.....	15, 000	111
2294	Fourth National Bank.....	Grand Rapids, Mich.....	110, 000	110
2295	First National Bank.....	Uniontown, Pa.....	28, 000	109
2296	First National Bank.....	Eutaw, Ala.....	20, 000	108
2297	T. J. Allison.....	Statesville, N. C.....	10, 000	112
2298	Harry Finson.....	Giant, Cal.....	2, 000	116. 25
2299	The Lamprecht Bros. Co.....	Cleveland, Ohio.....	100, 000	112. 80
2300	do.....	do.....	100, 000	112
2301	do.....	do.....	100, 000	111. 531
2302	do.....	do.....	100, 000	110. 3192
2303	do.....	do.....	100, 000	109. 10
2304	First National Bank.....	Chicago, Ill.....	200, 000	107
2305	do.....	do.....	200, 000	107. 25
2306	do.....	do.....	200, 000	107. 50
2307	do.....	do.....	200, 000	108. 25
2308	do.....	do.....	200, 000	109. 25
2309	George P. Harrison.....	House of Representatives, Washington, D. C.....	5, 000	110
2310	Riggs & Co.....	Washington, D. C.....	100, 000	112
2311	do.....	do.....	100, 000	110. 125
2312	do.....	do.....	100, 000	109. 125
2313	George H. Carleton, administrator.....	Haverhill, Mass.....	10, 000	112
2314	do.....	do.....	5, 000	111. 01
2315	do.....	do.....	5, 000	111. 50
2316	do.....	do.....	5, 000	110. 75
2317	Central National Bank.....	Boston, Mass.....	50, 000	109
2318	do.....	do.....	50, 000	110
2319	Lillian Horsford.....	Cambridge, Mass.....	100	108
2320	National Market Bank.....	Brighton, Mass.....	25, 000	110. 65
2321	do.....	do.....	25, 000	110. 10
2322	do.....	do.....	25, 000	109. 15
2323	Marine Bank.....	Buffalo, N. Y.....	10, 000	110. 31
2324	Franklin Savings Bank.....	Pawtucket, R. I.....	50, 000	109. 50
2325	do.....	do.....	50, 000	108
2326	Bank of Ohio Valley.....	Wheeling, W. Va.....	9, 000	109. 20
2327	Harrisburg National Bank.....	Harrisburg, Pa.....	153, 000	114
2328	do.....	do.....	10, 000	109
				106

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2329	Harrisburg National Bank.....	Harrisburg, Pa.....	\$10,000	108
2330	First National Bank.....	Port Jervis, N. Y.....	30,000	108
2331	Mahoning National Bank.....	Youngstown, Ohio.....	20,000	110.50
2332	Oliver L. Briggs.....	970 Washington street, Boston, Mass.....	2,000	109
2333	J. R. Little.....	Wadesboro, N. C.....	10,000	106
2334	National Branch Bank.....	Madison, Ind.....	25,000	111.5310
2335	do.....	do.....	30,000	110.33
2336	Citizens' National Bank.....	Cincinnati, Ohio.....	500,000	106.72
2337	do.....	do.....	200,000	109.09
2338	do.....	do.....	300,000	110.30
2339	Samuel D. Davis & Co.....	40 Wall street, New York.....	100,000	110
2340	do.....	do.....	40,000	108.51
2341	Rev. I. W. Combs.....	Canterbury, N. H.....	100,100	110
2342	Farmers' National Bank.....	Canfield, Ohio.....	12,500	109.0856
2343	William T. Murphy.....	Care of Harvey Fisk & Sons, New York.....	200,000	109
2344	Central National Bank.....	Cleveland, Ohio.....	100,000	109
2345	Amos B. McNairy.....	do.....	15,000	112.02
2346	Henry A. Sherwin.....	do.....	10,000	110.07
2347	E. G. Tillotson.....	do.....	10,000	107.04
2348	H. Clark Ford.....	do.....	15,000	109.07
2349	Steiner Bros.....	Birmingham, Ala.....	250,000	107
2350	First National Bank.....	Concord, N. H.....	20,000	110.50
2351	do.....	do.....	20,000	109.50
2352	do.....	do.....	20,000	111
2353	do.....	do.....	20,000	111.50
2354	do.....	do.....	20,000	112
2355	Merchants' National Bank.....	New Bedford, Mass.....	2,000	111.32
2355	do.....	do.....	5,000	111
2355	do.....	do.....	3,000	110.631
2355	do.....	do.....	1,000	110.02
2356	do.....	do.....	100,000	109.892
2357	do.....	do.....	100,000	110.631
2358	New Bedford Five Cents Savings Bank.....	do.....	10,000	110.30
2359	do.....	do.....	100,000	110.30
2360	Manchester National Bank.....	Manchester, N. H.....	30,000	110
2361	Portland Trust Co.....	Portland, Me.....	7,000	109.75
2362	do.....	do.....	35,000	111.25
2363	do.....	do.....	15,000	110.05
2364	do.....	do.....	125,000	107.87
2365	do.....	do.....	150,000	106.87
2366	F. B. Bemis, trustee.....	35 Congress street, Boston, Mass.....	10,000	109.60
2367	do.....	do.....	10,000	107.60
2368	Edward H. Clarkson.....	Boston, Mass.....	200	108.50
2369	Vineland National Bank.....	Vineland, N. J.....	200	110
2370	do.....	do.....	7,000	111

2371	W. I. Walton	Portsmouth, N. H.	10,000	109
2372	W. L. Conlon	do	12,000	109
2373	Stedman Buttrick	35 Congress street, Boston, Mass	5,000	105.77
2374	David Henderson	3335 River street, Troy, N. Y.	500	106.50
2375	George Douglas Miller	Albany, N. Y.	10,000	106.8c
2376	do	do	10,000	107.55
2377	do	do	10,000	108.16
2378	do	do	9,000	108.61
2379	do	do	8,000	109.30
2380	do	do	6,000	110.36
2381	do	do	2,000	110.51
2382	do	do	4,000	111.01
2383	do	do	1,000	111.35
2384	F. J. Lothrop	Leominster, Mass.	500	108.08
2385	Lebanon National Bank	Lebanon, Ohio.	10,000	109
2386	Louis H. Rehn	Annapolis, Md.	500	103.25
2387	A. J. Seasongood	Cincinnati, Ohio	25,000	110.17
2388	Charles Mayer	do	10,000	109.40
2389	John Sander	2527 Scioto street (Corryville), Cincinnati, Ohio.	250	105
2390	John W. Wood & Sons	Logan, Iowa	2,000	106
2391	do	do	2,000	105.75
2392	do	do	2,000	105.50
2393	do	do	2,000	105.25
2394	C. N. Lindley & Co	Chillicothe, Ohio.	500,000	109.25
2394	do	do	250,000	107.25
2395	Leon G. Shaw	Trinidad, Colo.	10,000	104
2396	First National Bank of Belleville	Belleville, Ill.	10,000	105
2397	do	do	10,000	106
2398	do	do	10,000	107
2399	do	do	10,000	108
2400	do	do	10,000	109
2401	do	do	10,000	110
2402	do	do	10,000	111
2403	do	do	10,000	112
2404	Carrie Hax	Kansas City, Mo.	1,000	104
2405	Charles L. Pack	Cleveland, Ohio.	10,000	111.26
2406	William L. Shearer	Boston, Mass.	18,000	111
2407	Somerville National Bank	Somerville, Mass.	5,000	110.25
2408	do	do	5,000	110.50
2409	do	do	5,000	110.75
2410	do	do	5,000	111
2411	do	do	5,000	111.25
2412	do	do	5,000	111.50
2413	do	do	5,000	111.75
2414	do	do	5,000	112
2415	D. H. Strouse	Peru, Ind.	3,000	108.50
2416	F. C. Bentley	Springfield, Mo.	1,000	109.0856
2417	Merchants' National Bank	Middletown, Ohio.	6,000	110
2418	Edward H. Drew	Boston, Mass.	10,000	110
2419	Estabrook & Co., agents	do	50,000	108.26
2420	do	do	1,000	110.50
2421	do	do	6,000	110

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2422	National Bank of Commerce.	Cleveland, Ohio.	\$50,000	112
2423	Leominster National Bank.	Leominster, Mass.	25,000	110.34
2424	do.	do.	50,000	109.80
2425	do.	do.	25,000	108.65
2426a	do.	do.		
2427	Hayden National Bank.	Columbus, Ohio.	44,200	108
2428	Merchants' National Bank.	Middletown, Ohio.	50,000	109
2429	do.	do.	50,000	108
2430	Cape Ann National Bank.	Gloucester, Mass.	1,000	120
2431	do.	do.	1,000	114
2432	do.	do.	1,000	112
2433	do.	do.	2,000	110
2434b	do.	do.		
2435	Bay State National Bank.	Lawrence, Mass.	50,000	109.0856
2436	Edward M. Adams.	New Bedford, Mass.	100	112
2437	National Bank of Commerce.	do.	50,000	110.3
2438	William H. Pitman, trustee.	do.	12,000	111.02
2439	William D. Howland.	do.	4,000	112
2440	Thomas B. Wilcox.	do.	2,000	110.3
2441	William N. Swift.	do.	5,000	110.3
2442	Anna Hathaway Swift.	New Bedford, Mass.	5,000	110.30
2443	Duncannon National Bank.	Duncannon, Pa.	5,000	107
2444	do.	do.	5,500	110
2445	Second National Bank.	Danville, Ill.	25,000	108
2446	do.	do.	25,000	109
2447	do.	do.	25,000	110
2448	do.	do.	25,000	111
2449	First National Bank.	Cobleskill, N. Y.	50,000	106
2450	Wilber National Bank.	Oneonta, N. Y.	50,000	109.10
2451	Utica City National Bank.	Utica, N. Y.	20,000	110.50
2451	do.	do.	20,000	110
2451	do.	do.	20,000	109
2451	do.	do.	20,000	107.50
2451	do.	do.	20,000	107
2451	do.	do.	20,000	106.50
2452	Potter Bros.	Morris, N. Y.	1,000	109.10
2453	Bradford Shinkie.	Covington, Ky.	10,000	108.50
2454	do.	do.	15,000	109.70
2455	Gregorio del Amo.	415 North Main street, Los Angeles, Cal.	20,000	108
2456	J. A. Bailey, jr.	Boston, Mass.	20,000	106.10
2457	do.	do.	20,000	107.10
2458	do.	do.	20,000	108.10
2459	do.	do.	20,000	109.10
2460	do.	do.	20,000	110.10
2461	Mechanics' National Bank.	New Britain, Conn.	25,600	106

2462	do	do	25,000	109.0856
2463	Palmer M. Taylor	Springfield, Mass	5,700	110.419
2464	Westbrook Trust Co.	Westbrook, Me	5,000	110
2465	Theo. Kerr	do	1,000	109.125
2466	do	do	1,000	109.375
2467	do	do	1,000	109.625
2468	do	do	1,000	109.875
2469	do	do	1,000	110.125
2470	do	do	1,000	110.375
2471	do	do	1,000	110.625
2472	Martin Van Buren Jefferson	Worcester, Mass	10,000	109
2473	Natick National Bank	Natick, Mass	500	112
2474	do	do	10,050	110
2475	do	do	25,000	110.0002
2476	do	do	30,500	109.11
2477	do	do	30,500	111.12
2478	do	do	30,500	110.31
2479	do	do	30,500	109.76
2480	Susanne Williams	Middleport, Ohio	800	112
2481	First National Bank	Marietta, Ohio	25,000	111.5310
2482	do	do	50,000	110.2992
2483	do	do	25,000	109.0856
2484	Housatonic National Bank	Stockbridge, Mass	6,000	112
2485	The People's Bank	Johnstown, N. Y	20,000	110
2486	First National Bank	Freehold, N. J.	25,000	108
2487	James E. M. O'Hair	Greencastle, Ind	2,500	108
2488	(No name)	Lanesville, Pa.	1,000	110
2489	Lewis Mergentheim	Peru, Ind	5,000	108.50
2490	John Sherwin	Care of Park National Bank, Cleveland, Ohio	10,000	108.05
2491	Irving W. Pollard and Abraham White	North Cambridge, Mass.	200,000	110.75
2492	do	do	200,000	110.32
2493	do	do	200,000	110.2992
2494	do	do	200,000	110.0156
2495	do	do	200,000	110
2496	do	do	200,000	109.0856
2497	do	do	200,000	109
2498	do	do	300,000	108
2499	A. White	15 State street, Boston, Mass	400,000	111.0050
2500	do	do	100,000	110.50
2501	do	do	200,000	110.2030
2502	do	do	200,000	110.02
2503	do	do	100,000	110.01
2504	(No name)	Boston, Mass.	400,000	112
2505	Henry F. Smith	89 State street, Boston, Mass	1,000	110
2506	Provident Savings Bank	Baltimore, Md	20,000	111
2507	Fearon & Co.	104 South Fifth street, Philadelphia, Pa.	10,000	109.10
2508	National Union Bank of Maryland	Baltimore, Md	25,000	110.05
2508	do	do	25,000	110
2508	do	do	25,000	109.80
2508	do	do	25,000	109.60

^a Error; letter accompanying 2427.

^b Error; letter accompanying 2435.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2509	Edward D. Hutchinson	311 West Eighty-fourth street, New York	\$3,000	108
2510	R. A. Lancaster & Co., for Mrs. Caroline M. Roberts	10 Wall street, New York	10,000	110.125
2511	do	do	10,000	110.125
2512	do	do	5,000	107.50
2513	do	do	5,000	107.25
2514	First National Bank	Shippensburg, Pa.	5,000	112
2515	do	do	5,000	110
2516	Russell Sage	71 Broadway, New York	250,000	107.51
2516	do	do	250,000	107.76
2516	do	do	200,000	108
2516	do	do	200,000	108.25
2516	do	do	200,000	108.50
2516	do	do	200,000	108.75
2516	do	do	200,000	109
2517	Dover Plains National Bank	Dover Plains, N. Y.	25,000	109.26
2518	Hoskier, Wood & Co.	46 Exchange Place, New York	25,000	110.16
2519	do	do	25,000	109.65
2520	do	do	50,000	109.29
2521	Cushman, Fisher & Phelps	50 State street, Boston, Mass.	500,000	108.50
2521	do	do	500,000	109
2522	J. V. Riedel	45 Wall street, New York	118,000	108.625
2522	do	do	118,000	108.75
2522	do	do	118,000	108.875
2522	do	do	118,000	109
2522	do	do	118,000	109.125
2522	do	do	118,000	109.25
2522	do	do	118,000	109.375
2522	do	do	118,000	109.50
2522	do	do	118,000	109.625
2522	do	do	118,000	109.75
2522	do	do	118,000	109.875
2522	do	do	118,000	110
2522	do	do	118,000	110.125
2522	do	do	118,000	110.25
2522	do	do	118,000	110.375
2522	do	do	118,000	110.50
2523	First National Bank	Hornellsville, N. Y.	45,000	110
2524	Grant Bros.	56 Broadway, New York	100,000	107
2525	Catherine Roberts	Riegelsville, Bucks County, Pa.	100	110
2526	Valley National Bank	Des Moines, Iowa	5,000	109.50
2527	Otto C. Kahn	158 East Seventy-fourth street, New York	100	107
2528	Arthur Pack	44 Euclid avenue, Cleveland, Ohio	5,000	107.10
2529	United States Guarantee Co.	New York	50,000	109.526
2530	Russak Bros. & Herzog	46 Exchange Place, New York	50,000	108
2531	First National Bank	Athens, Ohio	12,000	110

2532	Allen H. Bennett.....	Beverly, Mass'.....	5,000	111.75
2533	Bryn Mawr National Bank.....	Bryn Mawr, Pa.....	3,000	110
2534	Abington National Bank.....	Abington, Mass.....	10,000	110.625
2535	W. Hudson Stephens.....	Lowville, N. Y.....	2,000	110.50
2536	Montgomery County National Bank.....	Rockville, Md.....	10,000	105
2537	do.....	do.....	10,000	107
2538	do.....	do.....	10,000	109
2539	do.....	do.....	10,000	111
2540	National Rockland Bank.....	Roxbury, Mass.....	50,000	110
2541	Merchants' National Bank.....	Portland, Me.....	50,000	111.60
2542	do.....	do.....	30,000	111
2543	do.....	do.....	30,000	110.50
2544	First National Bank.....	Upper Sandusky, Ohio.....	10,000	108
2545	Veazie National Bank.....	Bangor, Me.....	20,000	111.5310
2546	do.....	do.....	10,000	110.2992
2547	do.....	do.....	20,000	109.0856
2548	Producers' National Bank.....	Woonsocket, R. I.....	50,000	110.3
2549	Second National Bank.....	Cooperstown, N. Y.....	40,000	110
2550	First National Bank.....	Wellston, Ohio.....	12,500	112.50
2551	do.....	do.....	12,500	111.50
2552	do.....	do.....	25,000	110.50
2553	First National Bank.....	Portland, Me.....	50,000	110.10
2554	do.....	do.....	50,000	111.05
2555	William D. Haskell.....	300 Fulton street, Brooklyn, N. Y.....	100,000	107.50
2556	E. D. Shepard & Co.....	3 Broad street, New York.....	100,000	108.07
2557	William Bradford Merrill.....	135 East Forty-third street, New York.....	10,000	109
2558	D. W. Cosgrove.....	Marlboro, Mass.....	500	108
2559	do.....	do.....	500	109
2560	do.....	do.....	500	110
2561	W. N. Gates.....	Indianapolis, Ind.....	1,000	108
2562	George Mulligan.....	Keyser, W. Va.....	500	108
2563	William H. Clarkson.....	44 Wall street, New York.....	35,000	109.25
2563	do.....	do.....	10,000	108
2563	do.....	do.....	10,000	107
2563	do.....	do.....	10,000	106
2563	do.....	do.....	50,000	105
2563	do.....	do.....	10,000	104
2564	Martin J. O'Brien.....	Gilsey House, New York.....	550,000	110.25
2565	Edward F. Morrisey.....	304 West One hundred and twenty-first street, New York.....	100,000	107.375
2566	William H. Clarkson.....	44 Wall street, New York.....	100,000	106.11
2567	Woodbury & Moulton.....	Portland, Me.....	8,000	111.25
2568	Mount Clemens Savings Bank.....	Mount Clemens, Mich.....	20,000	100
2569	S. N. Chittenden.....	39 West Twenty-sixth street, New York.....	10,000	106
2570	Fourth National Bank of Columbus.....	Columbus, Ga.....	42,500	112.7814
2571	Manufacturers Lloyds.....	Syracuse, N. Y.....	50,000	104.4082
2572	do.....	do.....	50,000	106.7121
2573	do.....	do.....	50,000	109.0856
2574	First National Bank.....	do.....	50,000	105.50
2575	do.....	do.....	50,000	108
2576	do.....	do.....	15,000	109.0856
2577	Bank of New York National Banking Association.....	New York.....	10,000	109.15
2578	do.....	do.....	50,000	109.0856

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2579	Bank of New York National Banking Association	New York	\$85,000	109
2580	do	do	70,000	108.75
2581	do	do	70,000	108.50
2582	do	do	70,000	108.25
2583	do	do	70,000	108
2584	Mount Jackson National Bank	Mount Jackson, Va.	12,500	110
2585	Kuhn, Loeb & Co.	27 and 29 Pine street, New York	650,000	113
2586	do	do	650,000	112
2587	do	do	650,000	111.50
2588	do	do	650,000	111
2589	do	do	1,300,000	110.50
2590	do	do	1,300,000	110
2591	do	do	1,300,000	109
2592	Fowler Bros., Limited.	New York	25,000	109.62 ³
2593	J. H. Winters, president	Dayton, Ohio	42,000	108
2594	Henry Lessner	do	10,000	108.50
2595	R. T. Crossen	177 Lexington avenue, New York	80,000	110.5378
2596	Henry M. Brancroft.	118 West Twenty-first street, New York	75,000	111.0369
2597	James C. Ritchie	273 West One hundred and thirty-first street, New York	60,000	110.9159
2598	Allen Roswell Sheffer	23 Washington place, East Orange, N. J.	100,000	110.7891
2599	Theodore Marache	5 Nassau street, New York	10,000	108
2600	Blake Bros. & Co.	do	200,000	110.57
2601	Santa Rosa National Bank	Santa Rosa, Cal.	30,000	111.531
2602	Kean Van Cortlandt & Co.	33 Wall street, New York	100,000	106.10
2603	do	do	100,000	106.75
2604	do	do	100,000	107.45
2605	do	do	50,000	108.01
2606	Centennial National Bank, Philadelphia.	Philadelphia, Pa.	100,000	110
2607	do	do	100,000	108
2608	Frank Procter	Franklin Falls, N. H.	10,000	110.2992
2609	Louis Jarmulowsky	54 Canal street, New York	3,000	110
2610	Citizens' National Bank	Danville, Ky.	25,000	105.50
2611	do	do	25,000	106.50
2612	do	do	25,000	107.50
2613	Garfield National Bank	New York	200,000	108
2614	Third National Bank	Boston, Mass.	500,000	106.127
2615	do	do	250,000	107.127
2616	do	do	150,000	108.127
2617	do	do	100,000	109.127
2618	do	do	100,000	110.127
2619	do	do	250,000	110.25
2620	do	do	25,000	108
2621	do	do	10,000	110.28
2622	Corn Exchange Bank	Philadelphia, Pa.	100,000	109.09
2623	do	do	200,000	108.05

2624	do	do	100,000	106.90
2625	do	do	100,000	105.75
2626	do	do	250,000	105.15
2627	E. Beekman Underhill, jr.	80 Broadway, New York	25,000	110.07
2628	do	do	25,000	109.07
2629	do	do	25,000	108.07
2630	do	do	25,000	106.07
2631	Charles R. Leaycraft	140 Pearl street, New York	15,000	106.50
2632	Louis Levy	34 Thomas street, New York	20,000	107.25
2633	Second National Bank	Chestertown, Md	7,000	107
2634	do	do	7,000	108
2635	do	do	6,000	109
2636	Charles R. Leaycraft	140 Pearl street, New York	10,000	105.50
2637	German-American Bank	Baltimore, Md	10,000	106.25
2638	do	do	10,000	107.25
2639	do	do	10,000	108.25
2640	do	do	10,000	109
2641	do	do	10,000	110
2642	do	do	10,000	111
2643	First National Bank	Bluefield, W. Va	25,000	109
2644	Frederick W. Kroehle	113 East Fifty-sixth street, New York	17,000	109
2645	Second National Bank	Springfield, Mass	50,000	105.875
2646	do	do	50,000	106.75
2647	do	do	25,000	107.25
2648	do	do	25,000	107.625
2649	Fatman & Co	70-72 Broad street, New York	100,000	107.50
2650	do	do	100,000	108.50
2651	Connecticut National Bank	Bridgeport, Conn	5,000	107
2652	Union National Bank	Louisville, Ky	50,000	106
2653	Capital National Bank	Indianapolis, Ind	50,000	110
2654	D. W. Harkness	Care of United States National Bank, New York	100,000	106
2655	Max. Goldsmith	do	2,500	110
2656	Morrow County National Bank	Mount Gilead, Ohio	10,000	110
2657	Farmers' National Bank	Danville, Ky	25,000	107.50
2658	do	do	25,000	110
2658†	Rudolph Kleybolte & Co	Cincinnati, Ohio	50,000	109.11
2659	John S. Brigham	16 Institute Road, Worcester, Mass	3,000	110
2660	First National Bank	Vevay, Ind	2,000	110
2661	Portsmouth National Bank	Portsmouth, Ohio	10,000	110
2662	J. E. Simonds	Eugene, Ore	29,130,000	120.98
2663	Simon Putzfeld	165 Water street, New York	5,000	107.75
2664	Frank Goodwin	Washington, D. C	1,000	107
2665	National Bank of Washington	do	100,000	110
2666	Simon Putzfeld	165 Water street, New York	5,000	105.50
2667	James B. Chaffee	71 Broadway, New York	25,000	
2668	Frances G. Gilligan	1291 Lexington avenue, New York	2,000	108.25
2669	C. F. Brunn	102 Broad street, New York	500	110.10
2670	F. T. Adams	71 Broadway, New York	25,000	107
2671	Downs & Bowman	Holley, N. Y	5,000	108
2672	First National Bank	Redlands, Cal	25,000	107.50

α Conditional.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2673	Fifth Avenue Bank.....	New York.....	\$100,000	108
2674	do.....	do.....	100,000	108.05
2675	do.....	do.....	50,000	108.07
2676	Elizabeth H. Nichols.....	Care of Fifth Avenue Bank, New York.....	5,000	110
2677	National Bank of America.....	Salina, Kans.....	10,000	108.50
2678	Kitchen & Co.....	26 Broad street, New York.....	10,000	109.50
2679	do.....	do.....	20,000	108.50
2680	do.....	do.....	40,000	107
2681	do.....	do.....	80,000	106
2682	do.....	do.....	160,000	104.75
2683	do.....	do.....	320,000	103.25
2684	do.....	do.....	640,000	102.125
2685	do.....	do.....	1,280,000	101.02
2686	do.....	do.....	2,560,000	100.03
2687	do.....	do.....	10,000	108.51
2688	do.....	do.....	5,000	111.21
2688	do.....	do.....	5,000	111.15
2688	do.....	do.....	5,000	111.08
2688	do.....	do.....	5,000	111.01
2688	do.....	do.....	5,000	110.01
2689	Theis & Barrall.....	Spokane, Wash.....	100,000	110.25
2690	do.....	do.....	100,000	109.25
2691	do.....	do.....	100,000	108.25
2692	do.....	do.....	100,000	107.50
2693	do.....	do.....	100,000	106.50
2694	The Provident Institution for Savings.....	Jersey City, N. J.....	50,000	110.30
2695	do.....	do.....	50,000	110.80
2696	do.....	do.....	50,000	111.30
2697	do.....	do.....	50,000	111.80
2698	Otto Kohn.....	46 Broadway, New York.....	10,000	109.315
2699	Frederick Seggermann.....	165 Duane street, New York.....	2,000	110.50
2700	Merchants' National Bank.....	Richmond, Va.....	30,000	107.51
2701	do.....	do.....	30,000	108.01
2702	do.....	do.....	30,000	108.51
2703	do.....	do.....	30,000	109.01
2704	do.....	do.....	30,000	109.51
2705	do.....	do.....	30,000	110.01
2706	do.....	do.....	30,000	110.51
2707	do.....	do.....	30,000	111.01
2708	do.....	do.....	30,000	111.51
2709	Frank T. King.....	3 Broad street, New York.....	25,000	108.50
2710	do.....	do.....	25,000	107.50
2711	do.....	do.....	25,000	106.50
2712	do.....	do.....	25,000	105.50
2713	Van Emburgh & Atterbury.....	2 Nassau street, New York.....	25,000	107.625

2714	do	do	do	20,000	110.625
2715	do	do	do	5,000	112.625
2716	do	do	do	50,000	109.10
2717	W. B. Strang, Jr., & Co.	15 Wall street, New York	do	500,000	106.75
2718	Lewis Oddenino	Radiant, Va	do	200	110.40
2719	Kings County Trust Co	Brooklyn, N. Y.	do	100,000	108
2720	do	do	do	100,000	108.50
2721	do	do	do	105,000	110
2722	do	do	do	105,000	110.50
2723	Keystone National Bank of Reading	Reading, Pa	do	25,000	110.30
2724	do	do	do	5,000	110.30
2725	Harlem Savings Bank	2279 and 2281 Third avenue, New York	do	100,000	109.09
2726	Maitland, Phelps & Co.	24 Exchange place, New York	do	125,000	109
2727	do	do	do	125,000	108
2728	do	do	do	135,000	110
2729	do	do	do	125,000	111
2730	National City Bank of Boston	53 State street, Boston, Mass	do	25,000	108.875
2731	do	do	do	25,000	109
2732	do	do	do	25,000	109.125
2733	do	do	do	50,000	109.25
2734	do	do	do	25,000	109.75
2735	do	do	do	1,000	110
2736	Edward Jones & Co	New York	do	50,000	109.75
2737	do	do	do	50,000	107.05
2738	do	do	do	50,000	105.25
2739	do	do	do	50,000	104.05
2740	do	do	do	50,000	103.15
2741	C. H. Follett.	99 Wall street, New York	do	500,000	109.75
2742	do	do	do	500,000	109.50
2743	do	do	do	500,000	109.25
2744	Denver National Bank	Denver, Colo.	do	25,000	108
2745	Kitchen & Co.	New York	do	50,000	110.375
2746	Charles Frysinger	York, Pa	do	450	109
2747	United States Casualty Co.	New York	do	50,000	108.25
2748	do	do	do	50,000	110.25
2749	do	do	do	50,000	109.25
2750	Adelbert B. Orcutt	Mechanicsville, N. Y.	do	15,000	111.125
2751	Mrs. Lerria T. Scarritt	27 Orange street, Orange, N. J.	do	100,000	106.72
2752	do	do	do	50,000	108
2753	do	do	do	25,000	111.55
2754	do	do	do	25,000	108.65
2755	Second National Bank of Oswego.	Oswego, N. Y.	do	25,000	109.125
2756	Granville National Bank	Granville, N. Y.	do	27,000	109.526
2757	First National Bank of Arlington	Arlington, Mass.	do	5,000	109.10
2758	do	do	do	5,000	108
2759	Salisbury Savings Society	Lakeville, Conn.	do	10,000	110
2760	Denver National Bank	Denver, Colo.	do	150,000	108
2761	Russak Bros. & Herzog.	46 Exchange place, New York	do	10,000	107.75
2762	do	do	do	10,000	107.50
2763	do	do	do	10,000	107.25
2764	Manufacturers' National Bank	Troy, N. Y.	do	50,000	105.50
2765	do	do	do	25,000	106

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2766	Manufacturers' National Bank.....	Troy, N. Y.....	\$25,000	107
2767	do.....	do.....	25,000	108
2768	do.....	do.....	25,000	109
2769	National Bank of Schuylerville.....	Schuylerville, N. Y.....	3,000	108
2770	Mary E. White, for Leonard D. White.....	39 East Seventy-fourth street, New York.....	5,000	108.75
2771	J. A. Barnette.....	2143 Seventh avenue, New York.....	20,000	108.10
2772	W. De L. Wallbridge, treasurer.....	Room 185, No. 1 Broadway, New York.....	100,000	109.0856
2773	William Graves and associates.....	Mills Building, New York.....	4,500,000	115.3391
2774	The National Bank of Ogdensburg.....	Ogdensburg, N. Y.....	25,000	108
2775	First National Bank of Cincinnati.....	Cincinnati, Ohio.....	50,000	109
2776	do.....	do.....	6,500	110
2777	do.....	do.....	6,000	106
2778	do.....	do.....	10,000	110.25
2779	J. Rawson & Sons.....	do.....	100,000	107
2780	First National Bank of Cincinnati.....	do.....	100,000	109.25
2781	do.....	do.....	50,000	108.50
2782	do.....	do.....	50,000	108
2783	German National Bank.....	Covington, Ky.....	150,000	109.50
2784	Far Rockaway Bank.....	Far Rockaway, N. Y.....	50,000	109
2785	Merchants' National Bank.....	Salem, Mass.....	50,000	110
2786	National Grand Bank.....	Marblehead, Mass.....	10,000	108
2786	do.....	do.....	10,000	108.50
2786	do.....	do.....	10,000	109
2786	do.....	do.....	10,000	109.50
2787	Farmers' Exchange Bank.....	New Washington, Ohio.....	20,000	108
2788	Burritt Savings Bank.....	New Britain, Conn.....	5,000	108
2788	do.....	do.....	5,000	105
2789	John A. Riley.....	Littleton, N. H.....	47,000	111.125
2790	John Byrne.....	45 Wall street, New York.....	100,000	108
2791	do.....	do.....	100,000	110
2792	First National Bank of Barnesville.....	Barnesville, Belmont County, Ohio.....	100,000	109.10
2793	do.....	do.....	20,000	108.25
2794	do.....	do.....	20,000	110.25
2795	Merchants' National Bank.....	Lafayette, Ind.....	50,000	109.0856
2796	S. Kuhns Sons.....	New York.....	200,000	107.52
2797	William H. Seward & Co.....	Auburn, N. Y.....	25,000	105.50
2798	do.....	do.....	10,000	107.15
2799	do.....	do.....	10,000	108.15
2800	do.....	do.....	20,000	109.15
2801	do.....	do.....	10,000	110.15
2802	Russak Bros. & Herzog.....	46 Exchange Place, New York.....	25,000	111
2803	do.....	do.....	25,000	110.40
2804	do.....	do.....	25,000	109.50
2805	do.....	do.....	25,000	109
2806	do.....	do.....	25,000	108.50

2807	do	do	25,000	108
2808	Dransin Wulsin	Room 25, Wiggins Block, Cincinnati, Ohio	1,000	110.50
2809	National Exchange Bank	Baltimore, Md	100,000	105.61
2810	do	do	50,000	107.61
2811	do	do	50,000	108.61
2812	do	do	50,000	109.61
2813	do	do	200,000	110.76
2814	Piqua National Bank	Piqua, Ohio	50,000	105
2815	Vermilye & Co.	New York	20,000	105
2816	do	do	20,000	107
2817	do	do	25,000	107.05
2818	do	do	25,000	108.02
2819	do	do	25,000	109.12
2820	do	do	150,000	109.88
2821	do	do	150,000	109.93
2822	do	do	150,000	109.98
2823	do	do	40,000	110
2824	F. M. Van Horn, trustee	150 West Eighty-fourth street, New York	150,000	110.03
2825	Third National Bank	New York	150,000	110.08
2826	do	do	150,000	110.13
2827	do	do	150,000	110.18
2828	do	do	150,000	110.23
2829	do	do	250,000	110.28
2830	do	do	25,000	110.35
2831	do	do	10,000	111.75
2832	do	do	8,000	112
2833	do	do	100,000	108.75
2834	do	do	500,000	110.91
2835	do	do	500,000	110.71
2836	do	do	1,000,000	110.51
2837	F. W. Barnes	207 West First street, Oswego, N. Y.	1,000,000	110.31
2838	H. B. Brownell	118 West Eighty-second street, New York	1,000,000	109.51
2839	Poor & Greenough	20 Wall street, New York	100,000	109.41
2840	James M. Holland	149 West Seventieth street, New York	100,000	109.31
2841	J. A. Satterwhite	New York	100,000	109.11
2842	A. Banks & Co.	70 Broadway, New York	100,000	109.06
2843	First National Bank	Massillon, Ohio	100,000	109.01
2844	W. H. Downs	106 West Forty-second street, New York	200,000	108.51
2845	Walter E. Beer	65 Pine street, New York	200,000	108.01
2846	James H. Ball	13 Broad street, Boston, Mass	50,000	114
2847	W. Rasmus	17 Broad street, New York	50,000	106.25
			100,000	107.125
			500,000	105.999
			100	115
			1,000	110
			50,000	110.25
			100,000	110.2992
			50,000	107
			500	110
			25,000	108.01

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2848	W. Rasmus	17 Broad street, New York	\$25, 000	109.0856
2849	Halifax Banking Co	Halifax, Nova Scotia.....	50, 000	112.25
2850	do	do	50, 000	109.0856
2851	Xenia National Bank.....	Xenia, Ohio.....	50, 000	107.89
2852	John H. Walker	162 North Meridian street, Indianapolis, Ind.....	1, 000, 000	109.50
2853	Charles Salomon	216 Pearl street, New York	2, 000	108.75
2854	Thomas H. Burchell	140 West One Hundred and Third street, New York.....	100, 000	109.25
2855	The New York Plate Glass Insurance Co	24 Pine street, New York	25, 000	109
2856	do	do	25, 000	110
2857	Stanley L. Platt, executor.....	97 Columbia street, New York	6, 000	109
2858	J. W. Tomblin	Arapahoe, Nebr.....	50	114
2859	Ira Cowles, Cleveland Trust Co.....	Cleveland, Ohio.....	25, 000	108.50
2860	Fourth Street National Bank.....	Philadelphia, Pa.....	250, 000	107.90
2861	do	do	250, 000	109.087
2862	do	do	10, 000	110
2863	do	do	6, 500	110
2864	do	do	10, 000	110
2865	do	do	25, 000	108.25
2866	do	do	25, 000	108.50
2867	do	do	25, 000	108.75
2868	do	do	25, 000	109
2869	Northern National Bank.....	Lancaster, Pa.....	15, 000	110.75
2870	do	do	20, 000	110
2871	do	do	40, 000	109.25
2872	do	do	50, 000	108.10
2873	Macy & Pendleton.....	45 Broadway, New York	10, 000	108
2874	National Shoe and Leather Bank.....	New York.....	50, 000	107.05
2874	do	do	50, 000	107.55
2874	do	do	50, 000	108.05
2874	do	do	50, 000	108.15
2874	do	do	50, 000	106
2875	Hide and Leather National Bank	do	50, 000	107
2876	do	do	80, 000	108
2877	do	do	55, 000	109
2878	do	do	55, 000	110
2879	The Hide and Leather National Bank	New York	15, 000	109
2880	Albert Goldman	45 Cedar street, New York	4, 000	110
2881	Charles Foster	1047 Third avenue, New York	3, 000	108.75
2882	Louis A. Salomon.....	216 Pearl street, New York	350, 000	108
2883	Heidelbach, Ickelheimer & Co.....	P. O. box 2854, New York	50, 000	105.25
2884	Charles G. Drum	40 Broadway, New York	1, 500	104.50
2885	Charles Hagglund	169 Flatbush avenue, Brooklyn, N. Y	12, 000	111.15
2886	William Frederick Sebert	353 Clinton street, Brooklyn, N. Y	100, 000	108.125
2887	A. J. Gazelar.....	56 Worth street, New York.....	100, 000	108.50
2888	William John Mercer.....	do	2, 500	108.50
2889	E. F. Faulkner.....	60 Perry street, New York		

2890	M. E. Macmallyn	Busch's House, Hoboken, N. J.	5,000	106.40
2891	N. Frank	53 Exchange place, New York	150	109
2892	do	do	200	105
2893	Valley National Bank	Des Moines, Iowa	10,000	110.60
2894	do	do	5,000	111
2895	W. I. Quintard	27 Pine street, New York	500,000	109.25
2896	Emily F. Griggs	121 Madison avenue, New York	2,000	110.22
2897	do	do	4,000	109.52
2898	do	do	6,000	108.52
2899	do	do	8,000	107.22
2900	J. Y. Meeker	155 West Twenty-sixth street, New York	500,000	109.33
2901	R. W. Speir	South Orange, N. J.	50,000	109.06
2902	J. Levy	226 West One hundred and twenty-first street, New York	10,000	109.50
2903	E. Beekman Underhill, jr	80 Broadway, New York	50	120.8749
2904	William O. O'Neill	7 Nassau street, New York	100,000	109.50
2905	Liberty National Bank	New York	10,000	110.51
2906	do	do	7,000	110.13
2907	do	do	50,000	110.03
2908	do	do	50,000	109.53
2909	do	do	50,000	109.03
2910	do	do	50,000	108.53
2911	do	do	50,000	108.03
2912	Benwell & Everett	6 Wall street, New York	100,000	107.55
2913	R. B. Bartholomew	16 Broad street, New York	100	110
2914	do	do	100	110
2915	Sharp & Bryan	3 Broad street, New York	10,000	109.51
2916	August Belmont & Co	23 Nassau street, New York	3,500,000	109.15
2917	J. Levy	226 West One hundred and twenty-first street, New York	10,000	110
2918	Harry A. Ensign	Englewood, N. J.	100,000	111.03
2919	E. G. Tillotson	Cleveland, Ohio	10,000	108.75
2920	Saybrook Bank	Saybrook, Ill.	1,000	112.25
2921	E. P. Holden	84 North Oakley avenue, Chicago, Ill.	1,000	107.50
2922	American Exchange National Bank	New York	25,000	107.25
2923	do	do	25,000	107
2924	do	do	25,000	107.50
2925	do	do	50,000	106.30
2926	do	do	50,000	107.10
2927	do	do	50,000	107
2928	do	do	50,000	108
2929	do	do	250,000	108.50
2930	do	do	415,000	109
2931	do	do	375,000	109.50
2932	do	do	430,000	110
2933	William Newton	Flint, Mich.	1,500	100
2934	London and New York Investment Corporation, Limited	2 Nassau street, New York	100,000	107.125
2935	Caroline A. Brigham, executrix	39 West Fifty-third street, New York	43,000	104.50
2936	Rafael de Goicoechea	Fifth Avenue Hotel, New York	10,000	109.0856
2937	Reynolds Bros. & Co.	46 Exchange place, New York	30,000	107.50
2938	H. A. Sherman	13 Astor place, New York	200,000	103
2939	J. Weil & Bro	56 Beaver street, New York	10,000	108
2940	C. W. Durant	120 Broadway, New York	100,000	109.50
2941	Heidelback, Ickelheimer & Co.	Post-office box 2854, New York	150,000	104.76

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
2942	Charles M. Proctor.....	100 Davis avenue, Brookline, Mass.....	\$5,000	110
2943	Henry H. Findlay.....	Stewart Building, New York.....	100,000	108.50
2943	do.....	do.....	100,000	109.10
2944	Robert Gray.....	433 Ninth avenue, New York.....	10,000	109.50
2945	H. Z. Ambrosius.....	51 Avenue E, Greenville, N. J.....	5,000	110.25
2946	Joseph W. Patterson.....	54 Broadway, New York.....	*1,000	109.25
2947	New York Security and Trust Co.....	New York.....	100,000	107.50
2948	do.....	do.....	100,000	108
2949	do.....	46 Wall street, New York.....	100,000	108.50
2950	do.....	do.....	100,000	109.25
2951	do.....	do.....	100,000	109.50
2952	do.....	do.....	100,000	109.75
2953	do.....	do.....	200,000	110
2954	do.....	do.....	200,000	110.25
2955	Lewis Lowenstein.....	430 East Fifty-ninth street, New York.....	10,000	109.75
2956	William J. Candee.....	Care of Seaboard National Bank, New York.....	450,000	109.625
2957	James W. Goodwin.....	81 Merrimac street, Haverhill, Mass.....	5,000	111.50
2958	C. L. Riker.....	Newburg, N. Y.....	4,000,000	106.51
2959	People's Bank.....	East Orange, N. J.....	30,000	109.856
2960	Farmers' National Bank.....	Greenville, Ohio.....	13,000	108.50
2961	Keene National Bank.....	Keene, N. H.....	25,000	113
2962	do.....	do.....	20,000	112
2963	do.....	do.....	20,000	110.125
2964	James W. Goodwin, treasurer.....	Haverhill, Mass.....	10,000	112
2965	do.....	do.....	5,000	110.50
2966	do.....	do.....	5,000	111
2967	National Exchange Bank.....	Waukesha, Wis.....	5,000	108
2968	do.....	do.....	5,000	108.50
2969	do.....	do.....	10,000	109.25
2970	First National Bank.....	Concord, N. H.....	20,000	108.50
2971	do.....	do.....	20,000	109
2971	do.....	do.....	10,000	112.50
2972	do.....	Kansas City, Mo.....	50,000	108
2973	Cayuga County Savings Bank.....	Auburn, N. Y.....	25,000	109
2974	Citizens' National Bank.....	Worcester, Mass.....	25,000	110.2992
2975	National Bank of Western Pennsylvania.....	Pittsburg, Pa.....	50,000	111.50
2976	do.....	do.....	100,000	110.50
2977	do.....	do.....	50,000	109
2978	do.....	do.....	50,000	108.50
2979	First National Bank.....	Chicago, Ill.....	300,000	108.50
2980	Quinsigamond National Bank.....	Worcester, Mass.....	2,000	110
2981	Chapin National Bank.....	Springfield, Mass.....	600	109.0856
2982	International Trust Co.....	Boston, Mass.....	25,000	112.12
2983	do.....	do.....	150,000	112.02
2984	do.....	do.....	150,000	111.80

2985	do	do	150,000	111.01
2986	do	do	100,000	110.32
2987	do	do	150,000	110.27
2988	do	do	150,000	110.01
2989	do	do	200,000	109.27
2990	do	do	300,000	109.14
2991	do	do	225,000	109.01
2992	do	do	225,000	108.27
2993	do	do	300,000	108.01
2994	do	do	100,000	107.92
2995	do	do	100,000	106.73
2996	do	do	100,000	105.63
2997	do	do	100,000	104.83
2998	Dauphin Deposit Bank	Harrisburg, Pa.	100,000	109.10
2999	First National Bank	Parkersburg, W. Va.	50,000	110.10
3000	W. H. Zeigler	1 Broadway, New York	25,000	106.20
3001	Industrial Trust Co	Providence, R. I.	100,000	107.89
3002	G. W. Parsons	Corner Hudson and Third streets, Hoboken, N. J.	5,000	110.2992
3003	M. E. Mochler	148 West Ninety-fourth street, New York	200	111
3004	John F. Seely	18 New street, New York	500	111
3005	George W. Berkalew	Binghamton, N. Y.	10,000	110.50
3006	Henry C. Daniels	76 Green street, Boston, Mass.	1,000	102
3007	E. S. Heller	212 Sansome street, San Francisco, Cal.	100,000	110.10
3008	Nelson H. Henry	72 Broadway, New York	3,000	112
3009	City National Bank	South Norwalk, Conn.	15,000	110
3009	do	do	10,000	110.25
3010	Jacob Solomon	2016 Third avenue, New York	1,000	110
3011	Bolognesi, Hartfield & Co.	60 Wall street, New York	10,000	106.7121
3012	do	do	15,000	109.0856
3013	R. A. Lancaster & Co	10 Wall street, New York	10,000	109.25
3014	Lawrence L. Barnum	110 McDonough street, Brooklyn, N. Y.	100,000	110.04
3015	Bolognesi, Hartfield & Co.	60 Wall street, New York	10,000	105.5516
3016	do	do	15,000	107.89
3017	C. Schumacher & Co	New York	25,000	111.80
3018	do	do	25,000	111.30
3019	do	do	50,000	111
3020	do	do	25,000	110.60
3021	do	do	25,000	110.55
3022	do	do	50,000	110.20
3023	do	do	50,000	110
3024	do	do	50,000	109.55
3025	do	do	50,000	109
3026	Merchants' Exchange National Bank	do	20,000	109.15
3027	do	do	50,000	110.125
3028	do	do	50,000	109.60
3029	do	do	100,000	109.10
3030	do	do	50,000	108.60
3031	do	do	50,000	108.10
3032	do	do	50,000	107.60
3033	S. Rosenberg	do	25,000	108
3034	Emory, Freed & Co.	Philadelphia, Pa.	20,000	108.75
3035	Valley National Bank	Des Moines, Iowa	5,000	110

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3036	Thomas O'Connor	1001 Grand street, Alameda, Cal.	\$5,000	107.50
3037	Ohio Savings Bank Co.	Columbus, Ohio	45,000	106
3038	do	do	30,000	108
3039	do	do	25,000	110
3040	S. Barnette	406 Broadway, New York	20,000	107.10
3041	Mason, Lewis & Co.	171 La Salle street, Chicago, Ill.	250,000	108.07
3042	Charles E. Temple	Grand Rapids, Mich.	300,000	110.3199
3043	International Bank	Chicago, Ill.	150,000	106.70
3044	do	do	200,000	109.10
3045	do	do	150,000	107.90
3046	Merchants and Manufacturers' Fire Insurance Co.	Baltimore, Md	20,000	107.03
3047	The Fidelity Insurance, Trust and Safe Deposit Co.	327 Chestnut street, Philadelphia, Pa.	20,000	108.03
3048	do	do	100,000	110
3049	do	do	100,000	109.50
3050	do	do	200,000	109
3051	do	do	200,000	108.50
3052	do	do	200,000	108
3053	do	do	200,000	107.50
3054	do	do	200,000	107.50
3055	do	do	200,000	108
3056	do	do	200,000	108.50
3057	do	do	200,000	109
3058	do	do	100,000	109.50
3059	Charles S. Davidson	do	100,000	110
3060	Sylvester Knecht	Care Julius Stein & Co., 515 Broadway, New York	50	109
3061	First National Bank	Nazareth, Pa.	300	108.333
3062	Dominick & Dickerman	Tonawanda, N. Y.	100,000	108.50
3063	Schafer Bros.	74 Broadway, New York	50,000	108
3064	do	35 Wall street, New York	150,000	110.32
3065	do	do	100,000	109.52
3066	do	do	100,000	108.12
3067	do	do	25,000	110
3068	do	do	25,000	109.50
3069	do	do	25,000	109.05
3070	do	do	25,000	108.50
3071	do	do	10,000	110.51
3072	do	do	10,000	109.54
3073	do	do	10,000	109
3074	do	do	10,000	108.15
3075	Bank of Commerce	Chicago, Ill	10,000	107.12
3076	Richard M. Bent	769 Tenth avenue, New York	20,000	108.875
3077	F. R. Ganz	35 Wall street, New York	10,000	110
3078	do	do	25,000	109.75
3079	do	do	20,000	108.35
	do	do	20,000	108.25

3080	do	do	do	20,000	108.45
3081	do	do	do	40,000	110.50
3082	do	do	do	30,000	109.50
3083	do	do	do	30,000	109
3084	Van Schaick & Co	35 Broad street, New York.	do	50,000	107.50
3085	do	do	do	50,000	108
3086	Henry A. Seymour	913 F street, Washington, D. C.	do	15,000	106.7121
3087	H. N. Wadham	Care of J. B. Colgate & Co., 36 Wall street, New York	do	100,000	106.51
3088	Maurice Unteringer	46 Wall street, New York	do	40,000	109.75
3089	Isaac Darrenberg	do	do	10,000	109.75
3090	Solomon Marx	25 East Seventy-third street, New York	do	20,000	109.75
3091	Farmers' National Bank	Lancaster, Pa	do	10,000	107.89
3092	South Adams Savings Bank	Adams, Mass	do	50,000	105.5517
3093	Latham, Alexander & Co	16 and 18 Wall street, New York.	do	20,000	107.75
3094	do	do	do	3,000	106
3095	do	do	do	3,000	107
3096	do	do	do	3,000	108
3097	do	do	do	3,000	109
3098	do	do	do	2,000	110
3099	do	do	do	2,000	111
3100	Douglas & Jones	18 New street, New York	do	200	104.9
3100	do	do	do	100	112.4
3100	do	do	do	100	109.9
3101	do	do	do	100	107.4
3102	do	do	do	200	102.4
3103	do	do	do	300	100.1
3104	Continental National Bank	Chicago, Ill	do	20,000	107
3105	do	do	do	100,000	108
3106	do	do	do	130,000	109
3107	Joseph J. Skinner	Hayden, Stone & Co., bankers, 87 Milk street, Boston, Mass.	do	500	105.5
3108	do	do	do	500	105.25
3109	do	do	do	1,000	105
3110	do	do	do	8,000	104
3111	W. B. Everitt	235 Highland avenue, Orange, N. J.	do	20,000	108.13
3112	Erik Enequist	136 Liberty street, New York.	do	1,000	106.75
3113	do	do	do	1,000	108
3114	Hambleton & Co	Baltimore, Md	do	50,000	109
3115	do	do	do	60,000	107
3116	do	do	do	55,000	107.50
3117	do	do	do	10,000	108
3118	do	do	do	105,000	108.51
3119	do	do	do	5,000	109
3120	do	do	do	5,000	109.50
3121	National Bank of Baltimore	do	do	2,000	110
3122	Bankers' National Bank	Chicago, Ill	do	2,500	110.30
3123	do	do	do	2,500	109.10
3124	do	do	do	2,500	107.90
3125	do	do	do	2,500	106.75
3126	Charles H. Fletcher	77 Murray street, New York.	do	50,000	107.75
3127	Richard W. Boyle	Imperial Hotel, New York.	do	380,000	110.14
3128	C. L. Dunn	Care of W. McMaster Mills, president Plaza Bank, 753 Fifth avenue, New York.	do	100,000	109.90

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3129	John A. Donaldson	Fifth Avenue Hotel, New York	\$475,000	111.65
3130	M. B. Spencer	132 State street, Albany, N. Y.	360,000	109.80
3131	do	do	250,000	108.75
3132	John L. Dana	488 Broadway, Albany, N. Y.	100,000	109.67
3133	A. M. Lyon	73 Cedar street, New York	20,000	109
3134	J. P. Powers	1250 Broadway, New York	300,000	110.2999
3135	National Mahaiwe Bank	Great Barrington, Mass.	20,000	108
3136	Wachusett National Bank	Fitchburg, Mass.	25,000	109.80
3137	do	do	25,000	109.30
3138	do	do	25,000	110.05
3139	do	do	25,000	110.30
3140	do	do	5,000	111.78
3141	The Nassau Bank	New York	50,000	105.552
3142	do	do	50,000	104.409
3143	do	do	50,000	102.172
3144	Northfield National Bank	Northfield, Vt.	10,000	109.50
3145	do	do	10,000	110.30
3146	Montpelier Savings Bank and Trust Co	Montpelier, Vt.	5,000	111.84
3147	do	do	5,000	110.56
3148	do	do	5,000	109.31
3149	do	do	5,000	108.38
3150	do	do	5,000	107.39
3151	Chas. A. Egerton	Northfield, Vt.	10,000	108.35
3152	Marcus Peck	do	5,000	108.50
3153	do	do	10,000	109
3154	do	do	10,000	108
3155	Union County National Bank	Liberty, Ind.	10,000	110
3156	W. & P. Nicholls	Dutch Flat, Cal.	10,000	108
3157	Commercial National Bank	Bradford, Pa.	20,000	109
3158	First National Bank	San Francisco, Cal.	10,000	112.50
3159	do	do	10,000	112.125
3160	do	do	10,000	112.0625
3161	do	do	10,000	112
3162	do	do	10,000	111.75
3163	do	do	25,000	110.125
3164	do	do	25,000	109.75
3165	do	do	25,000	109.50
3166	do	do	25,000	109.25
3167	do	do	100,000	106
3168	Brooklyn Trust Co	Brooklyn, N. Y.	100,000	110.03
3169	do	do	100,000	109.78
3170	do	do	100,000	109.53
3171	do	do	100,000	109.28
3172	do	do	100,000	109.03
3173	do	do	100,000	108.53

3174	do	do	do	100,000	108.28
3175	do	do	do	100,000	108.03
3176	do	do	do	100,000	107.53
3177	do	do	do	100,000	107.03
3178	A. B. Westervelt	Box 435, Englewood, N. J	1,000	107.50	
3179	Chemical National Bank	New York	1,000,000	108.10	
3180	do	do	1,000,000	108.60	
3181	do	do	1,000,000	109.10	
3182	do	do	300,000	109.70	
3183	do	do	50,000	110	
3184	do	do	60,000	110.3125	
3185	The State Bank	do	100,000	109.0856	
3186	A. Iselin & Co	36 Wall street, New York	250,000	107	
3187	J. V. Clark	34 Pine street, New York	50,000	109.501	
3188	Barkhouse Bros	Louisville, Ky	25,000	109	
3189	First National Bank	Yonkers, N. Y	26,000	109.125	
3190	do	do	25,000	110.125	
3191	Fourteenth Street Bank	New York	50,000	110	
3192	Wray A. Bentley	1228 Fulton street, Brooklyn, N. Y	3,000	106	
3193	Gloster Armstrong	81 New street, New York	10,000	110.2992	
3194	Economy Savings Bank	Baltimore, Md	100,000	109.10	
3195	Augusta Safe Deposit and Trust Co.	Augusta, Me.	20,000	111.5310	
3196	Jacob Kamm	Portland, Oreg	50,000	107.75	
3197	R. C. Dorsett	25 Pine street, New York	10,000	109.15	
3198	do	do	10,000	119.35	
3199	do	do	10,000	111.55	
3200	Hambleton & Co	Baltimore, Md	2,000	107.50	
3201	do	do	2,000	108	
3202	do	do	2,000	108.50	
3202	do	do	2,000	109	
3203	do	do	1,000	109.50	
3203	do	do	1,000	110	
3204	do	do	1,000	110	
3204	do	do	1,000	111.50	
3205	do	do	1,000	111.50	
3205	do	do	1,000	112	
3206	do	do	1,000	112.50	
3207	Salem National Banking Co	Salem, N. J	10,000	108	
3208	Deep River Savings Bank	Deep River, Conn	13,000	109.10	
3209	Thomas L. Hughes	52 West Ninety-third street, New York	100,000	107.75	
3210	Joseph J. Bliss	228 Phelan Building, San Francisco, Cal	1,000	110.25	
3210	do	do	1,000	110.25	
3211	Second National Bank	Baltimore, Md	25,000	108	
3212	Keystone National Bank	Reading, Pa	25,000	106	
3213	Drovers and Mechanics' National Bank	York, Pa.	25,000	108	
3214	W. S. Gurnee	New York	100,000	108.10	
3215	Benson W. Conrad	1701 Wallace street, Philadelphia, Pa	1,000	106	
3216	do	do	1,000	108	
3217	Kummer & Becker	Baltimore, Md	15,000	107	
3218	do	do	5,000	107	
3219	do	do	5,000	108.50	
3220	do	do	10,000	108	

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3221	American National Bank.....	Baltimore, Md	\$20,000	107.50
3222	do	do	20,000	107.25
3223	do	do	20,000	107
3224	do	do	20,000	106.50
3225	do	do	20,000	106.75
3226	Jefferson M. Levy	32 Nassau street, New York	100,000	106.50
3227	do	do	100,000	106
3228	William H. Bliss	33 Wall street, New York	600,000	109.0856
3229	A. Greenberg	146 Broadway, New York	10,000	110.50
3230	Thomas E. Cassidy	32 Nassau street, New York	450,000	109.25
3231	M. Osburn Christian	Irvington, N. J.	100,000	107.55
3232	F. G. Holbrook	Minneapolis, Minn	1,000	110
3233	J. H. Albert	Salem, Oreg	15,000	109.24
3234	People's Savings and Loan Association	Cleveland, Ohio	25,000	111
3235	Alfred W. Wells	864 Euclid avenue, Cleveland, Ohio	5,000	108
3236	Euclid Avenue National Bank	Cleveland, Ohio	25,000	109.52
3237	do	do	25,000	108.76
3238	The Bank of Arthur	Arthur, Ill	12,500	108
3239	Henry B. Childs	586 Prospect street, Cleveland, Ohio	500	110
3240	Isaac Levi	Cleveland, Ohio	15,000	109
3241	Henry Mulberger	Watertown, Wis	1,000	110
3242	George Craine	329 West Twenty-third street, New York	640,000	112.16
3243	Townsend Scott & Son	Baltimore, Md	25,000	104.40
3243	do	do	25,000	105.55
3243	do	do	25,000	106.70
3243	do	do	25,000	107.85
3244	Joseph Holland, executor, etc	237 Central Park, New York	10,000	107.75
3245	Kidder, Peabody & Co	Boston, Mass	25,000	110.03
3246	do	do	30,000	111.06
3247	Illinois Trust and Savings Bank	Chicago, Ill	100,000	106.10
3248	do	do	100,000	107.10
3249	do	do	100,000	108.10
3250	George W. Leighton	706 Tacoma Building, Chicago, Ill	500	108
3251	The First National Bank	Milwaukee, Wis	1,000	110
3252	Northwood Banking Co	Northwood, Iowa	5,000	104
3253	Mount Morris Bank	New York	15,000	109.0856
3254	Irving National Bank	do	50,000	108.11
3255	do	do	10,000	107.7121
3256	do	do	10,000	109
3257	Irving National Bank	New York	5,000	108.89
3257	C. L. Riker	Newburgh, N. Y	3,000,000	107.01
3258	do	do	2,000,000	107.51
3258	do	do	1,000,000	108.10
3258	do	do	500,000	108.51
3258	do	do	250,000	109.01

3258	do	do	do	100,000	109.51
3258	do	do	do	50,000	110.01
3259	do	do	do	50	117.02
3260	do	do	do	5,000,000	106.01
3261	James Rock	422 West Fifty-first street, New York	do	200,000	109.40
3262	Howard Savings Institution	Newark, N. J.	do	100,000	109
3263	Merchants' National Bank	Indianapolis, Ind	do	200,000	108.125
3264	do	do	do	100,000	109.875
3264	do	do	do	100,000	110.01
3264	do	do	do	100,000	110.13
3265	Whann & Schlesinger	2 Wall street, New York	do	100,000	109
3265	do	do	do	100,000	108.50
3265	do	do	do	100,000	108
3265	do	do	do	100,000	107.50
3266	Davis Bros	718 Market street, San Francisco, Cal	do	50,000	110.125
3266	do	do	do	50,000	109.5
3266	do	do	do	10,000	111
3267	N. Leowenberg	207 East Thirteenth street, New York	do	12,000	106.7121
3268	do	do	do	10,000	107.75
3269	do	do	do	10,000	108.4080
3270	Drake, Mastin & Co	3 Broad street, New York	do	20,000	109
3271	Merchants' National Bank	Richmond, Va	do	25,000	110.50
3271	do	do	do	25,000	111
3272	Kozminski & Co.	164 Randolph street, Chicago, Ill.	do	10,000	107.89
3273	do	do	do	10,000	109.0856
3274	George L. Burrows & Co.	Saginaw, Mich.	do	20,000	108
3275	National Bank of Oxford	Oxford, Pa.	do	10,000	109
3276	do	do	do	10,000	108
3277	do	do	do	10,000	107
3278	First National Bank	Mattoon, Ill.	do	12,500	114.50
3279	S. R. Dickey	Oxford, Pa.	do	5,000	107
3279	do	do	do	5,000	109
3279	do	do	do	5,000	108
3280	Sac County State Bank	Sac City, Iowa	do	10,000	108.50
3281	First National Bank	Mauch Chunk, Pa	do	100,000	110.125
3282	do	do	do	50,000	110
3283	do	do	do	50,000	109.875
3284	do	do	do	50,000	109.75
3285	do	do	do	50,000	109.625
3286	do	do	do	50,000	109.50
3287	do	do	do	50,000	109.375
3288	J. M. Stevens	577 Madison street, Brooklyn, N. Y	do	5,000	109.10
3289	W. M. Dain & Co.	Bath, Me.	do	1,500	111
3290	Bath National Bank	do	do	5,000	107.50
3291	do	do	do	5,000	108
3292	do	do	do	5,000	108.50
3293	do	do	do	5,000	109
3294	do	do	do	5,000	109.50
3295	New Hampshire Savings Bank	Concord, N. H.	do	10,000	113.50
3296	Nancy E. Dolman	St. Helen, Oreg.	do	50	105
3297	Mahlon S. Kemmerer	Mauch Chunk, Pa.	do	25,000	110.125
3298	Elias Hone	Care of Union Square Bank, New York	do	5,000	109

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3299	S. H. Hone.....	Care of Union Square Bank, New York	\$5,000	110
3300	The Bank of Wytheville.....	Wytheville, Va.	4,000	110
3301	S. P. Jocelyn.....	Plattsburg, N. Y.	10,000	110.01
3302	George B. Kremer.....	Bloomsbury, N. J.	500	110
3303	First National Bank.....	Baltimore, Md.	400,000	107.05
3304	Carbondale Miners and Mechanics' Savings Bank.	Carbondale, Pa.	10,000	107
3305	do.....	do	20,000	105.50
3306	do.....	do	10,000	106.50
3307	do.....	do	10,000	107.50
3307½	Connecticut Savings Bank.....	New Haven, Conn.	30,000	107
3308	do.....	do	30,000	108
3309	do.....	do	30,000	109
3310	do.....	do	30,000	110
3311	do.....	do	30,000	111
3312	United States Trust Co.....	Boston, Mass.	200,000	110.35
3313	do.....	do	300,000	109.25
3314	Salvatore Cantoni.....	49 Wall street, New York.	25,000	112.50
3315	T. J. Morgan.....	Wellston, Ohio.	30,000	110.50
3316	C. L. Lambertson.....	Care of Merchants' Exchange National Bank, New York.	5,000	108
3317	Marcus A. Bettman.....	18 Broadway, New York.	50,000	106
3318	Mount Morris Bank.....	New York.	10,000	110.2992
3319	do.....	do	25,000	106.7121
3320	Walter Stanton & Co.....	2 Wall street, New York.	500,000	106.375
3321	Knauth, Nachod & Kuhn.....	13 William street, New York.	150,000	110
3322	George J. Schmidt.....	37 Broad street, New York.	275,000	109.76
3323	Charles A. Darling.....	Arlington, N. J.	130,000	108.125
3324	National Park Bank.....	New York.	10,000	112
3325	do.....	do	100,000	110
3326	do.....	do	50,000	109.50
3327	do.....	do	500,000	109.375
3328	do.....	do	300,000	109.25
3329	do.....	do	300,000	109.125
3330	do.....	do	200,000	108.50
3331	do.....	do	200,000	108.125
3332	do.....	do	200,000	107.75
3333	do.....	do	100,000	107.50
3334	do.....	do	100,000	107.25
3335	Isaac N. Walter.....	529-531 Market street, San Francisco, Cal.	25,000	111
3336	David N. Walter.....	do	25,000	111.50
3337	Farmers' National Bank.....	York, Pa.	20,000	109
3338	York National Bank.....	do	25,000	107
3339	Guernsey National Bank.....	Cambridge, Ohio.	25,000	105
3340	Ohio National Bank.....	Washington, D. C.	50,000	108
3341	Salem County Mutual Fire Insurance Co.....	Salem, N. J.	1,200	108
3342	George H. Hill.....	Chestnut and Fifth streets, Philadelphia, Pa.	10,000	109.1351

3343	do	do	10,000	108.7626
3344	do	do	10,000	110.3051
3345	Joseph H. Lee	3236 K street N W., Washington, D. C.	5,000	112.05
3346	Heyl & Major	421 Chestnut street, Philadelphia, Pa.	23,000	108.25
3347	do	do	20,000	108.51
3348	do	do	10,000	106.01
3349	do	do	10,000	108.04
3350	do	do	5,000	108.81
3351	do	do	3,000	107
3352	Francis Condon	Stewart Building, Broadway and Chambers street, New York	150,000	110.0625
3353	do	do	150,000	109.56
3354	Fred Schulz	146 Water street, New York	10,000	110
3355	Phenix National Bank	New York	50,000	105
3356	do	do	30,000	110
3357	do	do	20,000	108
3358	R. P. Buck & Co.	80 Broad street, New York	5,000	108
3359	do	do	5,000	109
3360	do	do	10,000	110
3361	Frank J. Johann	Philadelphia, Pa.	6,000	100
3362	State of California	Sacramento, Cal.	50,000	112
3363	E. H. Perkins, jr	New York	50,000	109.0856
3364	A. J. Nolen	Newsite, Ala.	20,000	110.2992
3365	John F. Hooper	do	20,000	104.4082
3366	Gallatin National Bank	New York	50,000	105.26
3367	do	do	50,000	105.65
3368	do	do	100,000	105.89
3369	do	do	50,000	106.26
3370	do	do	50,000	106.65
3371	J. G. Cohen	Cotton Exchange, New York	1,000	107.5
3372	do	do	1,000	108
3373	do	do	1,000	108.5
3374	do	do	1,000	109
3375	D. Fahnestock & Co	22 South street, Baltimore, Md.	50,000	108
3376	do	do	100,000	108
3377	do	do	75,000	109
3378	do	do	10,000	109.10
3379	Real Estate Trust Company	New York	50,000	105.95
3380	do	do	50,000	104.41
3381	W. Lawson	52 Wall street, New York	10,000	105
3382	S. M. Cohen & Co.	127-129 Bleecker street, New York	50,000	109.25
3383	The Equitable Life Assurance Society of the United States	120 Broadway, New York	500,000	109
3384	do	do	500,000	108.5
3385	do	do	500,000	108
3386	do	do	500,000	107.5
3387	Mrs. J. Singer	Toronto, Canada	5,000	109.0856
3388	W. G. Price Coffin	111 West Forty-seventh street, New York	5,000	107.76
3389	do	do	5,000	108.55
3390	William B. Hord	44 Wall street, New York	25,000	108.82
3391	do	do	25,000	108.14
3392	do	do	25,000	107.48
3393	do	do	25,000	106.82
3394	The Plaza Bank	New York	25,000	108.25

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3395	H. B. Hollins & Co.	15 Wall street, New York	\$100,000	110
3395	do	do	100,000	109.875
3395	do	do	100,000	109.75
3395	do	do	100,000	109.5
3395	do	do	100,000	109.25
3395	do	do	100,000	109
3395	do	do	100,000	108.75
3395	do	do	100,000	108.5
3395	do	do	100,000	108.25
3395	do	do	100,000	108
3396	Charles Unger	35 and 37 Wall street, New York	100,000	106
3397	do	do	100,000	107
3398	do	do	100,000	108
3399	August Belmont & Co.	23 Nassau street, New York	3,500,000	109.15
3400	Metropolitan Trust Co.	37 Wall street, New York	10,000	110
3400	do	do	100,000	109.10
3400	do	do	15,000	109
3400	do	do	100,000	108.82
3400	do	do	100,000	108.52
3400	do	do	5,000	108.50
3400	do	do	100,000	108.32
3400	do	do	100,000	108.22
3400	do	do	10,000	108.10
3400	do	do	10,000	108
3400	do	do	30,000	107
3400	do	do	30,000	110.25
3401	James M. Leopold & Co.	84 Broadway, New York	10,000	111.13
3402	A. R. Peck & Co.	29 Broad street, New York	10,000	111.01
3403	do	do	10,000	110.38
3404	do	do	10,000	108.40
3405	do	do	10,000	106.90
3406	do	do	15,000	109
3407	M. Gerinshegger & Co.	14 Wall street, New York	15,000	108
3407	do	do	35,000	107
3407	do	do	20,000	106.50
3407	do	do	35,000	106
3407	do	do	25,000	105.125
3408	Boe & Barnes	56 New street, New York	10,000	101
3409	do	do	10,000	109.125
3410	Schulz & Ruckgaber	16 Exchange place, New York	100,000	110
3411	do	do	175,000	111
3412	J. S. Bache & Co.	47 Exchange place, New York	45,000	110.15
3413	do	do	50,000	109.58
3414	do	do	50,000	109.03
3415	do	do	50,000	108.53
3416	do	do	50,000	

INVESTIGATION OF BOND SALES.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3469	G. P. Altenberg, cashier	Cincinnati, Ohio	\$50,000	106.75
3470	do	do	25,000	105.50
3471	First National Bank	Deadwood, S. Dak.	4,000	110
3472	do	Ironton, Ohio	20,000	106
3473	do	Philadelphia, Pa.	100,000	107.50
3474	do	do	100,000	108
3475	do	do	100,000	108.50
3476	do	do	100,000	109
3477	do	do	100,000	109.50
3478	John A. Sharf	21 Park Row, New York	100,000	107.75
3479	Bowery Bank	New York	50,000	105
3480	Bedford Bank	Bedford avenue and Halsey street, Brooklyn, N. Y.	25,000	109.0856
3481	do	do	50,000	109.0856
3482	National Mechanics' Bank	Baltimore, Md.	50,000	109
3482	do	do	50,000	108
3482	do	do	50,000	107.50
3482	do	do	50,000	107.25
3483	J. G. Cohen	do	1,000	107
3484	A. V. Stout, care of American Bank Note Co.	Cotton Exchange, New York	100	110
3485	N. Berman	86 Trinity place, New York	2,000	108.50
3486	Simmons & Slack	Port Henry, N. Y.	10,000	108
3487	Otto Herzfeler	66 Broadway, New York	500	110
3488	do	16-22 William street, New York	1,500	109.75
3489	do	do	15,000	108.75
3490	John Bauman	do	1,000	109.50
3491	First National Bank	Pittsburg, Pa.	100,000	108.65
3491	do	do	50,000	109.11
3491	do	do	50,000	109.64
3491	do	do	100,000	110.14
3492	T. A. Swords	129 Perkins street, East Somerville, Mass.	25,000	111.05
3493	do	do	25,000	109.05
3494	Carrie F. Rowe	Gloucester, Mass.	10,000	110.05
3495	William E. Rice	41 Elm street, Worcester, Mass.	30,000	112
3496	Laidlaw & Co.	14 Wall street, New York	10,000	110.965
3497	do	do	10,000	110.2992
3498	do	do	10,000	111.531
3498½	John M. J. Keogh	447 Fourteenth avenue, Milwaukee, Wis.	50	110.20
3499	W. J. Hayes & Sons	Cleveland, Ohio	30,000	111.05
3500	do	do	30,000	109.25
3501	do	do	40,000	110.15
3502	J. Howard Leman	50 State street, Boston, Mass.	50,000	108.50
3503	do	do	50,000	109
3504	Lobdell, Farwell & Co.	Chicago, Ill.	150,000	108.125
3505	do	do	50,000	110
3506	Traders' National Bank	Washington, D. C.	40,000	110.2992

3507	Albany City National Bank.....	Albany, N. Y.....	100, 000	109.0850
3508	H. O. Dilley.....	Northfield, Minn.....	2, 000	106.25
3509	Howard M. Swab.....	109 North Water street, Philadelphia, Pa.....	10, 000	109
3510	First National Bank.....	Pueblo, Colo.....	100, 000	110.10
3511	do.....	do.....	50, 000	109
3512	do.....	do.....	50, 000	108.60
3513	do.....	do.....	50, 000	108
3514	do.....	do.....	50, 000	108
3515	First National Bank.....	Minersville, Pa.....	50, 000	109.50
3516	F. E. Wheeler, secretary.....	Yonkers, N. Y.....	12, 500	107.89
3517	Horace W. Carpenter.....	108 East Thirty-seventh street, New York.....	25, 000	105
3518	do.....	do.....	10, 000	107
3519	do.....	do.....	20, 000	106.20
3520	do.....	do.....	20, 000	105.50
3521	do.....	do.....	20, 000	104.80
3522	Hancock National Bank, for Mills & Blanchard.....	Boston, Mass.....	10, 000	107.70
3523	do.....	do.....	100, 000	106.10
3524	do.....	do.....	50, 000	107.10
3525	do.....	do.....	30, 000	108
3526	do.....	do.....	100, 000	108.10
3527	do.....	do.....	100, 000	109.05
3528	do.....	do.....	100, 000	110.125
3529	National Bank of North America.....	New York.....	75, 000	111
3530	do.....	do.....	100, 000	105.75
3531	do.....	do.....	100, 000	106
3532	do.....	do.....	100, 000	106.25
3533	do.....	do.....	100, 000	106.50
3534	do.....	do.....	100, 000	106.75
3535	do.....	do.....	100, 000	107
3536	do.....	do.....	50, 000	107.50
3537	do.....	do.....	100, 000	107.25
3538	do.....	do.....	50, 000	107.75
3539	do.....	do.....	50, 000	108
3540	do.....	do.....	50, 000	108.25
3541	do.....	do.....	50, 000	108.50
3542	Hancock National Bank.....	Boston, Mass.....	50, 000	108.75
3543	Frank M. Green.....	253 Broadway, New York.....	a 5, 000, 000	110.125
3544	William H. Earley.....	280 West One hundred and twenty-seventh street, New York.....	1, 000, 000	107.58
3545	Laidlaw & Co.....	14 Wall street, New York.....	500	108.50
3546	do.....	do.....	100, 000	106.75
3547	do.....	do.....	90, 000	107.25
3548	do.....	do.....	80, 000	107.75
3549	do.....	do.....	70, 000	108.25
3550	do.....	do.....	60, 000	108.75
3551	do.....	do.....	50, 000	109.25
3552	do.....	do.....	40, 000	109.75
3553	do.....	do.....	30, 000	110.25
3554	Hancock National Bank.....	Boston, Mass.....	20, 000	110.75
3555	do.....	do.....	100, 000	106.125
3556	do.....	do.....	25, 500	107
3557	do.....	do.....	50, 000	107.10
			25, 000	107.25

a Conditional.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3558	Hancock National Bank	Boston, Mass	\$25,000	107.50
3559	do	do	25,000	107.75
3560	do	do	55,800	108
3561	do	do	120,000	108.125
3562	do	do	25,000	108.25
3563	Moses Rosenzweig	221 East Sixty-ninth street, New York	1,000,000	102.50
3564	First National Bank	Westport, Conn	35,000	105
3565	Merchants' Safe Deposit Co., care of Tradesmen's National Bank	New York	25,000	110.2992
3566	do	do	25,000	109.0856
3567	Western German Bank	Cincinnati, Ohio	60,000	109
3568	Hamilton Mayo	Leominster, Mass	75,000	109.13
3569	Half Dime Savings Bank	Orange, N. J.	50,000	112
3570	James B. Murray	69 Wall street, New York	10,000	105.1
3571	C. G. Hanaman	11 Pine street, New York	100,000	107
3572	do	do	100,000	108
3573	do	do	100,000	109
3574	do	do	100,000	109.5
3575	do	do	100,000	110
3576	Charles Overall	Room 29, Portland Block, Chicago, Ill	110,000	112
3577	F. Stanley Knox	170 Dearborn street, Chicago, Ill.	100,000	112.5
3578	L. K. Hammill	50 Windsor street, Allegheny, Pa.	150,000	108
3579	Warren Savings Bank Co.	Warren, Ohio	1,200	114
3580	First National Bank	East Liverpool, Ohio	50,000	110.5
3581	C. S. Eaglesfield	1014 College avenue, Indianapolis, Ind.	120,000	111
3582	Benjamin F. Pine	Boulder, Colo.	125,000	110.5
3583	J. S. Pine	1208 Hartford Building, Chicago, Ill	130,000	110
3584	E. C. Stafford	Box 1453, Pittsburg, Pa.	135,000	109.5
3585	Stuart Wood	400 Chestnut street, Philadelphia, Pa.	3,000	110.5
3586	J. M. Freeman	Box 296, Hinsdale, N. H.	100,000	114
3587	Henry H. Gilman	29 High street, Boston, Mass	20,000	104
3588	Rollin H. Hamilton	248 Washington street, Boston, Mass.	100,000	108.77
3589	Blair & Co.	33 Wall street, New York	500,000	108.07
3590	do	do	250,000	108.26
3591	do	do	250,000	109.27
3592	do	do	250,000	109.89
3593	do	do	250,000	110.13
3594	do	do	250,000	110.36
3595	do	do	250,000	110.61
3596	do	do	250,000	111.03
3597	do	do	250,000	111.27
3598	do	do	150,000	111.55
3599	do	do	350,000	111.81
3600	Charles Edwards	Union Club, Chicago, Ill.	140,000	109
3601	American Security and Trust Co.	Washington, D. C.	150,000	109.0856
3602	do	do	20,000	110.2992

3603	Edward Sweet & Co.	New York	25,000	110
3604	do	do	50,000	109.75
3605	do	do	25,000	109.5
3606	do	do	25,000	109
3607	do	do	50,000	108.75
3608	do	do	100,000	108.57
3609	do	do	25,000	108.5
3610	do	do	10,000	109.25
3611	Peter Schmidt	Care of Charles P. Willard & Co., 197 South Canal street Chicago, Ill.	115,000	111.5
3612	Caleb Wild	do	145,000	108.5
3613	Boatmen's Bank	St. Louis, Mo.	2,500	112
3614	First National Bank	Braddock, Pa.	10,000	108
3615	(No signature)	Eureka, Col.	100	104.5
3616	H. A. Welch, cashier	Delaware, Ohio	5,000	108
3617	do	do	5,000	105
3618	Bank of Commerce	Peoria, Ill.	10,000	102
3619	People's National Bank	Lawrenceburgh, Ind.	40,000	108.5
3620	A. Galenski	81 Chambers street, New York.	1,200	110
3621	do	do	1,200	109
3622	Lehman Bros	do	50,000	109.53
3623	do	do	50,000	108.53
3624	do	do	125,000	111
3625	do	do	150,000	110.31
3626	do	do	150,000	109.53
3627	do	do	50,000	108.58
3628	do	do	100,000	108.58
3629	do	do	150,000	107.66
3630	M. L. & C. Ernst.	do	250,000	109.125
3631	Chas. A. Sheehan.	do	1,000,000	107.125
3632	do	do	1,000,000	107.25
3633	do	do	1,000,000	107.5
3634	do	New York	1,000,000	107.75
3635	Matthew P. Halpin	44 Washington street, New York	1,000,000	106.50
3636	do	do	1,000,000	106.625
3637	do	do	1,000,000	106.75
3638	do	do	1,000,000	107
3639	William Halpin.	410 West Twenty-second street, New York.	1,000,000	106.375
3640	do	do	1,000,000	106.25
3641	do	do	1,000,000	106.125
3642	do	do	1,000,000	106
3643	I. & S. Wormser	New York	300,000	112.03
3644	Drovers and Mechanics' National Bank.	Baltimore, Md.	11,000	111
3645	Miners' Deposit Bank	Lykens, Pa.	7,000	110
3646	Harriet H. Tuthill	Brooklyn, N. Y.	2,000	107
3647	P. J. Goodhart & Co.	New York	50,000	110.15
3648	do	do	50,000	109.63
3649	do	do	50,000	109.15
3650	do	do	50,000	108.63
3651	do	do	50,000	108.15
3652	Lehman Bros.	16-22 William street, New York	150,000	109.871

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3653	J. K. Pauld	52 Exchange Place, New York	\$5,000	109.0856
3654	J. & L. S. Jackson	do	10,000	109.0856
3655	H. L. Runkle	Kenton, Ohio	10,000	109
3656	American National Bank	Findlay, Ohio	5,000	113
3656	do	do	1,000	119.3229
3657	Henry C. Daniels	Weymouth, Mass	500	103
3657	do	do	500	102
3657	do	do	500	101
3658	George D. Kuhlmann	Main street, Dobbs Ferry, N. Y.	2,000	108
3659	Cheshire National Bank	Keene, N. H.	10,000	112
3660	Second National Bank	Haverhill, Mass.	10,000	109.25
3661	do	do	10,000	109.625
3662	do	do	10,000	110
3663	do	do	10,000	110.375
3664	do	do	10,000	110.625
3665	I. & S. Wormser	15 Broad street, New York	300,000	111.50
3666	do	do	500,000	110.53
3667	do	do	250,000	110.32
3668	do	do	500,000	110.03
3669	do	do	250,000	109.77
3670	do	do	500,000	109.53
3671	do	do	250,000	109.14
3672	do	do	250,000	108.68
3673	Jefferson County Savings Bank	Birmingham, Ala	a 235,000	110.0625
3674	Myer Hellman	68 Liberty street, New York	275,000	108.25
3675	Martha E. Craig	152 East Seventy-ninth street, New York	2,500	108
3676	Minnie Keenan	362 Sixth avenue, New York	1,000	114
3677	James B. Powell	Hartford, Conn	1,000	108
3678	James Brown	Findlay, Ohio	100	105
3679	F. M. McKay	61 Alice court, Chicago, Ill.	1,000,000	105.25
3680	F. J. Woodworth	Park National Bank, Cleveland, Ohio	10,000	107.50
3681	R. C. Pentland	133 East Forty-sixth street, New York	60,000	113
3682	Catharine A. Gilbert	2913 Easton avenue, St. Louis, Mo.	700	101
3683	Euclid Avenue Savings and Banking Co	Cleveland, Ohio	10,000	107.89
3684	Edward E. Clarkson	165 Tremont street, Boston, Mass.	50	107
3685	do	do	100	108
3686	Charles G. Dunn	40 Broadway, New York	50,000	108.50
3687	R. C. Pentland	133 East Forty-sixth street, New York	70,000	109.25
3688	J. V. Painter	Cleveland, Ohio	5,000	106
3689	do	do	5,000	106.25
3690	do	do	5,000	106.50
3691	do	do	5,000	106.75
3692	do	do	5,000	107
3693	do	do	5,000	107.25
3694	do	do	5,000	107.50

3695	do	do	5,000	107.75
3696	do	do	5,000	108
3697	do	do	5,000	108.25
3698	William Kunge, P. M.	Hopewell Academy, Mo.	50	105
3699	People's National Bank	Leesburg, Va.	12,500	112
3700	Citizens' National Bank	Akron, Ohio	15,000	107.89
3701	do	do	10,000	109.0856
3702	Hancock National Bank	Boston, Mass.	25,000	108.50
3703	do	do	25,000	108.75
3704	do	do	31,600	109
3705	do	do	20,000	109.50
3706	do	do	11,000	109.75
3707	do	do	30,500	110
3708	do	do	55,000	110.125
3709	do	do	48,000	110.50
3710	do	do	79,500	111
3711	do	do	73,050	111.50
3712	do	do	100,800	112
3713	do	do	51,000	112.50
3714	do	do	17,250	112.7814
3715	do	do	15,000	113
3716	do	do	10,000	113.50
3717	do	do	6,400	114
3718	do	do	25,000	114.1010
3719	do	do	1,000	120
3720	Ray F. Zucker.	309 Broadway, New York.	2,000	109
3721	James I. Barr	166 West Seventy-sixth street, New York.	8,000	109
3722	Joseph Godfrey	84 Gold street, New York.	300	109.01
3723	do	do	300	107.51
3724	do	do	300	108.01
3725	do	do	300	108.51
3726	do	do	300	110.51
3727	Paul B. Wrney	Care of Yorkville Bank, New York	2,000	105
3728	Wood Huestes Co	31 Pine street, New York	50,000	107.151
3729	do	do	50,000	105.561
3730	Starr Hawley	2 Wall street, New York.	500,000	105.01
3731	do	do	500,000	104.51
3732	do	do	500,000	104.01
3733	do	do	500,000	103.51
3734	Alexander L. Jones	236 Fifth avenue, New York.	100	108.20
3735	Sam Glutermeyer	46 Wall street, New York.	150,000	109.0856
3736	Stephen H. Voorhees	358 West Thirty-third street, New York.	10,000	109
3737	George Nebeker	Tenth and Oxford streets, Philadelphia, Pa.	100,000	111
3737	do	do	100,000	112
3738	Second National Bank	Haverhill, Mass.	10,000	111
3739	Woodbury & Moulton	Portland, Me.	80,000	111.25
3740	First National Bank	Worcester, Mass.	25,000	110.2992
3740	do	do	50,000	109.0856
3740	do	do	25,000	107.89
3741	Haverhill National Bank	Haverhill, Mass.	25,000	110.31

a Inquiry.

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3742	John E. Gale, care of Haverhill National Bank.	Haverhill, Mass.	\$5,000	111.13
3742	Haverhill National Bank.	do.	10,000	110.31
3742	do.	do.	10,000	109.31
3742	do.	do.	5,000	109
3743	First National Bank.	Cleveland, Ohio.	20,000	107
3744	do.	do.	20,000	106
3745	Clinton National Bank.	Clinton, N. J.	37,500	105.55
3746	Valley National Bank.	Lebanon, Pa.	10,000	110.25
3746	do.	do.	10,000	110.75
3747	Commercial National Bank.	Titusville, Pa.	25,000	110
3748	Jos. L. Buttenwieser.	27 and 29 Pine street, New York.	75,000	107.5
3749	Boston Safe Deposit and Trust Co.	Boston, Mass.	100,000	109.0856
3750	National Live Stock Bank.	Chicago, Ill.	100,000	108
3751	Frank C. Miles.	87 Milk street, Boston, Mass.	25,000	106.7121
3752	Farmers' National Bank.	Oxford, Pa.	5,000	110
3753	Atlas National Bank.	Cincinnati, Ohio.	200,000	110
3754	W. E. Patch.	48 Franklin street, New York.	7,000	107
3755	First National Bank.	New Castle, Pa.	75,000	110.03125
3756	First National Bank.	Flint, Mich.	25,000	100
3757	Peoples' National Bank.	Bellevue, Ohio.	17,000	107.89
3758	John R. Geary.	127 Superior street, Cleveland, Ohio.	20,000	109
3759	Storrs & Smith.	2 Wall street, New York.	50,000	106.5
3760	do.	do.	50,000	107.5
3761	do.	do.	50,000	108.5
3762	do.	do.	50,000	109.5
3763	E. C. Converse.	Newport, N. H.	300	107.5
3764	National Bank of Illinois.	Chicago, Ill.	300,500	107.26
3765	Franklin Bank.	St. Louis, Mo.	50,000	108
3766	do.	do.	50,000	109
3767	do.	do.	50,000	110.5
3768	do.	do.	50,000	110
3769	Henry Klapproth.	722 North Fourth street, St. Louis, Mo.	500	100
3770	Peter Naumann.	do.	450	100
3771	Northwestern National Bank.	Philadelphia, Pa.	100,000	111
3772	Essex National Bank.	Newark, N. J.	125,000	109.25
3773	Union National Bank.	Mount Holly, N. J.	5,000	109
3774	do.	do.	5,000	109.5
3775	do.	do.	5,000	110
3776	do.	do.	5,000	110.5
3777	Worcester National Bank.	Worcester, Mass.	25,000	110.25
3778	Iron National Bank.	Plattsburg, N. Y.	25,000	111
3779	National Bank.	Wareham, Mass.	6,000	108
3780	James H. Storin.	Boston, Mass.	1,000	110
3781	Allegheny National Bank.	Pittsburg, Pa.	100,000	111
3782	do.	do.	100,000	110

3783	do	do	100,000	109.5
3784	State National Bank	Cleveland, Ohio	100,000	107.90
3785	Beacon Trust Co	Boston, Mass	20,000	109.125
3786	do	do	10,000	109.875
3787	do	do	10,000	110.375
3788	do	do	5,000	110.875
3789	Boylston National Bank	do	50,000	109.5
3789	do	do	50,000	110.5
3790	George Pierce	Frankfort, Me	7,500	109
3791	do	do	7,500	108.5
3792	do	do	10,000	108
3793	U. S. Hungerford	Chicago, Ill	1,100	105
3794	Delaware Savings Bank	Delaware, Ohio	6,000	107
3795	Cesare Conti	New York	10,000	109
3796	do	do	10,000	107
3797	do	do	10,000	110
3798	do	do	20,000	111
3799	Bronson Murray	238 West Fifty-second street, New York	5,000	104
3800	A. Klipstein	122 Pearl street, New York	10,000	110.25
3801	Zimmermann & Forshay	9 Wall street, New York	100,000	108
3801	do	do	50,000	107.75
3801	do	do	50,000	107.5
3801	do	do	50,000	107.25
3802	Wassermann & Sons	56 Exchange Place, New York	25,000	108.125
3803	J. H. Stutz	9 Wall street, New York	10,000	109.25
3804	do	do	2,000	110
3805	do	do	2,000	110
3806	do	do	1,000	110
3807	do	do	300	112
3808	Shoe and Leather National Bank	Boston, Mass	100,000	108.35
3809	do	do	225,000	109.30
3810	do	do	175,000	109.70
3811	do	do	75,000	110.25
3812	do	do	25,000	110.75
3813	do	do	100,000	111.05
3814	Citizens' National Bank	Frederick, Md	20,000	104
3815	do	do	20,000	105
3816	do	do	20,000	106
3817	do	do	20,000	107
3818	do	do	20,000	108
3819	do	do	20,000	109
3820	do	do	20,000	110
3821	do	do	10,000	111
3822	do	do	10,000	112
3823	Citizens' National Bank	Zanesville, Ohio	50,000	110.125
3824	do	do	50,000	111.125
3825	do	do	50,000	112.125
3826	Woodbury & Moulton	Portland, Me	1,000	109.25
3826	do	do	1,000	109.75
3826	do	do	1,000	110.50
3827	Frank M. Savage	17 West Pearl street, Cincinnati, Ohio	10,000	107.10
3828	do	do	10,000	108.10

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3829	Frank M. Savage	17 West Pearl street, Cincinnati, Ohio	\$10,000	109.11
3830	Royal Insurance Co.	New York	100,000	105.32
3830	do	do	100,000	105.78
3830	do	do	100,000	106.10
3830	do	do	100,000	106.32
3830	do	do	100,000	106.78
3830	do	do	8,000	107.89
3831	A. M. Renshaw	Philadelphia, Pa.	1,000	104.4082
3832	Harry B. Henderson	Cheyenne, Wyo.	500	106
3833	do	do	500	104.4082
3834	do	do	10,000	108.50
3835	Ida M. Grover	121 West One hundred and twenty-sixth street, New York	500	110
3836	First National Bank	Amherst, Mass.	10,000	109.25
3837	Elizabeth J. Peters	106 East One hundred and twenty-first street, New York	50,000	108.50
3838	Franklin Haven	Boston, Mass.	100,000	107
3838	do	do	10,000	108.50
3839	John Surin	16 Exchange place, New York	30,000	111.50
3840	Columbia National Bank	Washington, D. C.	15,000	109
3841	Alvin Strasburger	New York	2,000	105.5516
3842	P. M. Kelly	Philadelphia, Pa.	50,000	111
3843	Investors' Security Trust	New York	25,000	109.25
3844	George Obermeyer	Bangor, Me.	5,000	111.125
3845	First National Bank	Boston, Mass.	50,000	108
3846	Beacon Trust Co.	Walla Walla, Wash.	10,000	108
3847	Baker-Boyer National Bank	Care of 35 Wall street, New York	10,000	107.50
3848	Henry S. Warner	Lancaster, Pa.	10,000	108
3849	Lancaster County National Bank	do	10,000	109.10
3850	do	do	50,000	109.25
3851	do	do	5,000	110.30
3852	Corson & Macartney	1419 F street, Washington, D. C.	50,000	102.18
3853	R. H. Hood	Twelfth and F streets, NW., Washington, D. C.	50,000	103.29
3854	John A. Titcomb	7 Wall street, New York	50,000	104.41
3855	do	do	50,000	105.56
3856	do	do	50,000	111.55
3857	do	do	20,000	111.05
3858	Moran Bros.	68 William street, New York	20,000	110.55
3859	do	do	20,000	109.55
3860	do	do	20,000	110
3861	do	do	100,000	109
3862	do	do	50,000	108
3863	Thomas L. Manson, jr., & Co.	96 Broadway, New York	50,000	107
3864	do	do	25,000	109
3865	do	do	a 20,000	110.30
3866	do	do		
3867	Second National Bank	Baltimore, Md.		
3868	William M. Kern	2835 Third avenue, New York		

3868	do.....	do.....	10,000	111.05
3869	Peter Bennett.....	Care of 44 Broadway, New York.....	1,000,000	109.01
3870	National Bank of Cold Spring.....	Hudson, N. Y.....	11,000	107.90
3871	Third National Bank.....	Jersey City, N. J.....	125,000	105.10
3872	Sternberger, Field & Sinn.....	43 New street, New York.....	20,000	108
3873	do.....	do.....	20,000	109
3874	do.....	do.....	10,000	109.50
3875	do.....	do.....	10,000	109.75
3876	do.....	do.....	10,000	110
3877	Merchants' National Bank.....	Providence, R. I.....	50,000	110.15
3878	do.....	do.....	50,000	110.05
3879	do.....	do.....	50,000	109.85
3880	do.....	do.....	50,000	109.55
3881	do.....	do.....	50,000	107.45
3882	do.....	do.....	50,000	107.05
3883	do.....	do.....	50,000	106.85
3884	do.....	do.....	50,000	106.65
3885	do.....	do.....	50,000	106.55
3886	do.....	do.....	50,000	106.35
3887	do.....	do.....	50,000	106.15
3888	do.....	do.....	50,000	106.05
3889	Centerville National Bank of Warwick.....	Centerville, R. I.....	10,000	108
3890	Charles F. Figge.....	259 President street, Brooklyn, N. Y.....	500	111.5310
3891	do.....	do.....	500	110.2992
3892	John H. Atwater.....	232 Jefferson avenue, Brooklyn, N. Y.....	500	106.7121
3893	do.....	do.....	1,000	107.89
3894	Henry Clews & Co.....	15 Broadway, New York.....	1,000	106.65
3895	do.....	do.....	1,000	107.10
3896	do.....	do.....	1,000	105.76
3897	do.....	do.....	1,000	106.51
3898	do.....	do.....	1,000	106.76
3899	do.....	do.....	7,000	108.50
3900	do.....	do.....	5,000	109.125
3901	do.....	do.....	3,000	110
3902	do.....	do.....	5,100	109
3903	do.....	do.....	20,000	109.10
3904	do.....	do.....	100,000	108.125
3905	do.....	do.....	100,000	107.75
3906	do.....	do.....	100,000	107.50
3907	do.....	do.....	100,000	107.25
3908	do.....	do.....	100,000	107.125
3909	Mercantile National Bank.....	New York.....	100,000	106.75
3910	do.....	do.....	100,000	106.50
3911	do.....	do.....	100,000	106.125
3912	do.....	do.....	100,000	105.50
			100,000	105.25
			426,000	106
			10,000	107.5
			466,000	108
			12,000	108.5

a Conditional.

TABLE No. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
3913	Mercantile National Bank.....	New York	\$418,000	109
3914	do	do	10,000	109.0856
3915	do	do	10,000	109.1
3916	do	do	350,000	110
3917	do	do	250,000	111
3918	do	do	30,000	111.55
3919	do	do	167,000	112
3920	do	do	83,000	113
3921	Union Savings Bank.....	Oakland, Cal.....	100,000	110.06
3922	Richard Sindner.....	46 White street, New York	5,000	100.75
3922	do	do	5,000	101.75
3922	do	do	5,000	102.75
3922	do	do	5,000	103.75
3922	do	do	5,000	104.75
3923	Jacob Rosenthal.....	252 Bleeker street, New York.....	3,500	107.5
3924	Arnold Leo & Co	35 Broad street, New York.....	50,000	109.51
3925	First National Bank.....	Providence, R. I.....	100,000	106.75
3926	National Bank of Chester Valley	Coatesville, Pa.....	50,000	110.01
3927	First National Bank.....	Utica, N. Y	26,000	106.7121
3928	do	do	26,000	107.89
3929	Kansas National Bank, Wichita, Kans., by First National Bank.....	New York	5,000	111.53
3930	Kountze Bros.....	do	50,000	111
3931	do	do	100,000	110
3932	do	do	200,000	108.1
3933	do	do	100,000	107.625
3934	do	do	200,000	106.75
3935	do	do	250,000	106.25
3936	do	do	100,000	105.5
3937	Irving National Bank	do	10,000	109.0856
3938	John B. Manning.....	14 Wall street, New York.....	10,000	110.05
3939	do	do	25,000	109.525
3940	do	do	25,000	109.105
3941	do	do	35,000	109.05
3942	do	do	5,000	109
3943	Union Trust Co	St. Louis, Mo.....	250,000	109
3944	W. Howard Gibson.....	Washington, D. C.....	100	110.25
3945	C. H. Van Buren & Co	60 Broadway, New York	100,000	109.0856
3946	Bank of Cattaraugus.....	Cattaraugus, N. Y	500	109.0856
3947	Albert J. Barnes.....	111 Chambers street, New York	2,000	106.55
3948	Woerishoffer & Co.....	52 Exchange place, New York	10,000	110
3949	D. Schnakenberg.....	6 Hanover street, New York.....	20,000	110
3950	Herman Heidelberg	New York	25,000	111.5310
3951	do	do	25,000	107.89
3952	do	do	25,000	109.0856
3953	Third National Bank.....	Jersey City, N. J.....	100,000	110

3954	Henry Leinbeck, treasurer.	do	do	25,000	110
3955	J. V. Clark.	do	34 Pine street, New York.	50,000	109
3956	do	do	do	50,000	108.50
3957	do	do	do	100,000	108
3958	do	do	do	100,000	107
3959	do	do	do	100,000	106.50
3960	do	do	do	100,000	106
3961	do	do	do	100,000	105.50
3962	do	do	do	100,000	105
3963	Trust and Safe Deposit Co.	do	New Haven, Conn.	16,000	110.30
3964	Charles F. Figge.	do	859 President street, Brooklyn, N. Y.	1,000	109.0856
3965	H. F. Barrows.	do	North Attleborough, Mass.	10,000	111
3966	Hogen Bros. & Co.	do	Scio, Ohio.	5,000	107.25
3967	do	do	do	5,000	108.25
3968	do	do	do	5,000	109.75
3969	do	do	do	5,000	110.25
3970	do	do	do	5,000	111.25
3971	National Bank of Commerce.	do	Cleveland, Ohio.	100,000	108.50
3972	Cahoone & Wescott.	do	18 Wall street, New York.	50,000	112.10
3972	do	do	do	50,000	110.30
3972	do	do	do	100,000	108.70
3972	do	do	do	50,000	111.70
3972	do	do	do	50,000	109.70
3973	Seaboard National Bank.	do	New York.	1,000	111.25
3974	do	do	do	308,000	109.0856
3975	do	do	do	25,000	105.5516
3976	do	do	do	75,000	106.7121
3977	do	do	do	100,000	107
3978	do	do	do	100,000	106
3979	do	do	do	25,000	107.89
3980	do	do	do	175,000	108
3981	do	do	do	5,000	109.0856
3982	do	do	do	5,000	111
3983	do	do	do	5,000	109.0856
3984	do	do	do	5,000	111
3985	do	do	do	180,000	110
3986	do	do	do	10,000	112
3987	do	do	do	100,000	107.5
3988	do	do	do	80,000	108.5
3989	J. & W. Seligman & Co.	do	21 Broad street, New York.	250,000	111.56
3990	do	do	do	250,000	111.56
3991	do	do	do	500,000	111.06
3992	do	do	do	750,000	110.77
3993	do	do	do	500,000	110.51
3994	do	do	do	500,000	110.26
3995	do	do	do	350,000	110.13
3996	do	do	do	1,000,000	109.56
3997	do	do	do	150,000	109.56
3998	do	do	do	550,000	109.03
3999	do	do	do	550,000	108.53
4000	do	do	do	550,000	108.03
4001	do	do	do	550,000	107.53

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
4002	J. & W. Seligman & Co.	21 Broad street, New York	\$1,000,000	107.03
4003	do	do	1,000,000	106.53
4004	Joseph M. Shoemaker & Co.	112 Drexel Building, Philadelphia	12,000	111.02
4005	San Jose Safe Deposit Bank of Savings	San Jose, Cal.	200,000	111.5
4006	Bank of San Jose	do	56,000	111
4007	George H. Huslin	247 Broadway, New York	5,000	106.75
4008	Shelburne Falls Savings Bank	Shelburne Falls, Mass.	5,000	112.125
4009	Edward C. Oppenheim	32 Thomas street, New York	10,000	107.75
4010	Robert C. Beal	120 Broadway, New York	100,000	103.5
4011	Quinsigamond National Bank	Worcester, Mass.	500	111
4012	Edward Burns	Care of American Exchange National Bank, New York	5,000	107.50
4013	Whitehouse & Co	25 Broad street, New York	25,000	109.50
4014	do	do	100,000	111
4015	do	do	100,000	110
4016	do	do	100,000	109
4017	do	do	100,000	108.27
4018	do	do	100,000	108.77
4019	do	do	200,000	109.27
4020	Flower & Co.	52 Broadway, New York	250,000	108
4021	Anson W. Hard, J. Kennedy Tod, and W. Emlen Roosevelt	58 Pine street, New York	100,000	107.125
4022	Edward H. Avery	Auburn, N. Y.	10,000	105
4023	Error, letter accompanying 4024.			
4024	First National Bank.	Orwell, Vt.	50,000	112
4025	George B. Humphrey	Churubusco, N. Y.	10,000	114.0506
4026	Edward H. Avery	Auburn, N. Y.	15,000	104.50
4027	Lynn Five Cents Savings Bank	Lynn, Mass.	25,000	111
4028	do	do	25,000	112
4029	National Hide and Leather Bank	Boston, Mass.	600,000	109
4030	Hugh Mullen	6 Ware street, Dorchester, Mass.	700	113
4031	Chapin National Bank	Springfield, Mass.	25,000	104.50
4032	do	do	25,000	109.0856
4033	La Société Française d'Epargnes	San Francisco, Cal.	100,000	105
4034	Pennsylvania Co	517 Chestnut street, Philadelphia, Pa.	50,000	110
4035	do	do	220,000	109.26
4036	do	do	50,000	109
4037	do	do	100,000	108.51
4038	do	do	120,000	108.03
4039	do	do	50,000	107.09
4040	do	do	200,000	105.01
4041	David May	895 Broadway, Brooklyn, N. Y.	500	110
4042	Sig. H. Rosenblatt	54 Wall street, New York	10,000	108
4043	do	do	20,000	110.50
4044	Second National Bank.	Boston, Mass.	100,000	110.13
4045	do	do	100,000	109.65
4046	do	do	100,000	109.13

4047	First National Bank.....	Westminster, Md.....	10,000	112
4048	do.....	do.....	40,000	111.125
4049	do.....	do.....	10,000	109.0856
4050	Second National Bank.....	Boston, Mass.....	10,000	111
4051	Shawmut National Bank.....	do.....	500,000	110.30
4052	W. B. Hibbs & Co.....	Washington, D. C.....	25,000	110.50
4053	do.....	do.....	25,000	110
4054	do.....	do.....	25,000	109.50
4055	Redmond, Kerr & Co.....	New York.....	100,000	110.52
4056	W. B. Hibbs & Co.....	Washington, D. C.....	25,000	109
4057	Indiana National Bank.....	Indianapolis, Ind.....	50,000	109.50
4058	do.....	do.....	100,000	111.06
4059	do.....	do.....	50,000	110.30
4060	Merchants' National Bank.....	do.....	100,000	111.06
4061	Citizens' National Bank.....	Peru, Ind.....	25,000	110.30
4062	The Investment Corporation.....	New York.....	500,000	110.6979
4063	do.....	do.....	500,000	110.1567
4064	do.....	do.....	500,000	110.8299
4065	do.....	do.....	2,500,000	110.5389
4066	do.....	do.....	500,000	110.9359
4067	do.....	do.....	500,000	111.1569
4068	Flint & Co.....	do.....	200,000	107.50
4069	E. H. Rollins & Sons.....	Boston, Mass.....	100,000	110.76
4070	do.....	do.....	200,000	110.53
4071	do.....	do.....	200,000	110.27
4072	do.....	do.....	100,000	109.76
4073	do.....	do.....	100,000	109.64
4074	do.....	do.....	100,000	109.40
4075	do.....	do.....	100,000	109.26
4076	do.....	do.....	100,000	109.14
4077	do.....	do.....	500,000	106.26
4078	Mrs. S. Ledgett.....	Rockford, Ill.....	1,200	110.50
4079	James H. Perrin.....	Lafayette, Ind.....	5,000	110
4080	Perrin National Bank.....	do.....	30,000	110
4081	William H. Perrin.....	do.....	5,000	110
4082	Henry L. Simons.....	Glencoe, Minn.....	5,000	100
4083	John O. Perrin.....	Lafayette, Ind.....	10,000	110
4084	First National Bank.....	West Newton, Mass.....	10,500	110
4085	do.....	do.....	10,000	111
4086	National Bank of Battle Creek.....	Battle Creek, Mich.....	10,000	111
4087	Delaware County National Bank.....	Delaware, Ohio.....	5,000	106
4088	do.....	do.....	5,000	109
4089	do.....	do.....	5,000	110
4090	Redmond Kerr & Co., agents.....	New York.....	200,000	108
4091	do.....	do.....	100,000	106.75
4092	do.....	do.....	75,000	108.125
4093	do.....	do.....	275,000	110.15
4094	do.....	do.....	100,000	108.375
4095	do.....	do.....	100,000	109.232
4096	do.....	do.....	2,000	110
4097	do.....	do.....	2,000	110
4098	do.....	do.....	600	110.50

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
4099	Redmond Kerr & Co., agents	New York	\$300	111
4100	do	do	300	111.50
4101	do	do	300	112
4102	do	do	2,000	109
4103	do	do	5,000	109
4104	do	do	1,000	106.7121
4105	do	do	1,000	107.89
4106	do	do	1,000	109.0856
4107	do	do	1,000	110.2992
4108	do	do	1,000	111.5310
4109	do	do	5,000	109.09
4110	do	do	50,000	107
4111	do	do	2,000	110
4112	do	do	3,000	110.125
4113	do	do	1,500	109
4114	do	do	6,000	108
4115	do	do	25,000	108
4116	do	do	25,000	109
4117	do	do	25,000	110
4118	Commercial and Farmers' National Bank	Baltimore, Md	20,000	106
4118	do	do	20,000	106.50
4118	do	do	25,000	107.50
4118	do	do	69,000	108
4118	do	do	6,000	109
4119	L. B. Cabell, jr	153 Clark street, Jersey City, N. J.	1,000,000	109.125
4120	do	17 Broadway, Jersey City, N. J.	1,000,000	109
4121	The Thames National Bank	Norwich, Conn.	250,000	109.50
4122	do	do	250,000	110.50
4123	Birmingham National Bank	Derby, Conn.	30,000	110.50
4124	George A. Denham	246 Washington street, Boston, Mass.	50,000	108.50
4125	The Savings Bank of New Britain	New Britain, Conn.	10,000	109.0856
4126	National Bank of the Republic	Washington, D. C.	300,000	110
4127	Edward Sweet & Co.	38 Broad street, New York	100,000	110.05
4128	Crane, Parris & Co.	1344 F street, Washington, D. C.	25,000	110.875
4129	Speyer & Co.	11 Broad street, New York	2,000,000	110.524
4130	do	do	1,500,000	110.626
4131	do	do	1,500,000	110.726
4132	do	do	2,300,000	111.051
4133	do	do	1,000,000	111.051
4134	do	do	800,000	112.037
4135	do	do	30,000	108
4136	E. H. Harriman	43 Wall street, New York	500,000	110
4137	do	do	1,000,000	110.25
4138	Corson & Macartney	Washington, D. C.	200,000	110.8125
4139	do	do	100,000	110.5625

INVESTIGATION OF BOND SALES.

TABLE No. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
4192	R. L. Day & Co	Boston, Mass.	\$25,000	109.31
4193	do	do	30,000	109.13
4194	do	do	36,000	109
4195	do	do	17,500	108.50
4196	do	do	12,750	108
4197	do	do	10,000	107.50
4198	do	do	30,000	107
4199	The New York Life Insurance Co	New York	5,000,000	110.50
4200	do	do	5,000,000	111
4201	The Manufacturers' Trust Co	Brooklyn, N. Y.	100,000	112
4202	do	do	100,000	111.5310
4203	do	do	100,000	111.25
4204	do	do	50,000	110.46
4205	do	do	100,000	109.0856
4206	do	do	100,000	108.20
4207	M. Erdmann, trustee	Mills Building, 11 Broad street, New York	10,000	110.52
4208	do	do	10,000	110.77
4209	do	do	10,000	111.02
4210	do	do	10,000	111.27
4211	The Mutual Life Insurance Co	32 Nassau street, New York	5,000,000	110
4212	United States Mortgage and Trust Co	59 Cedar street, New York	500,000	109.50
4213	Farson, Leach & Co	2 Wall street, New York	1,250,000	109.2793
4214	do	do	100,000	109.125
4215	do	do	1,000,000	106.159
4216	Guaranty Trust Co. of New York	65 Cedar street, New York	100,000	109.625
4217	National Union Bank	New York	100,000	109
4218	do	do	100,000	108.50
4219	do	do	100,000	108
4220	do	do	100,000	107
4221	do	do	300,000	111.50
4222	Joseph Pulitzer	New York	1,000,000	114
4223	Kings County Trust Co	Brooklyn, N. Y.	210,000	111.5
4224	do	do	100	110.75
4225	Clarence Halstead	New York	10,000	106.72
4226	Simon Auerbach	179 Pearl street, New York	10,000	109
4227	John L. Williams & Sons	Richmond, Va.	100,000	108.01
4228	The Hanover National Bank	New York	1,000,000	109.75
4229	do	do	1,000,000	109.95
4230	do	do	2,000,000	110.2992
4231	do	do	2,000,000	110.52
4232	do	do	1,000,000	110.755
4233	do	do	1,000,000	110.877
4234	do	do	2,000,000	111.02
4235	do	do	1,000,000	111.17
4236	Hollister & Babcock	17 and 19 Broad street, New York	1,000,000	106

4237	Blair & Co.....	33 Wall street, New York.....	100,000	112.27
4238	Corson & Macartney.....	Washington, D. C.....	50,000	111.5
4239	J. C. Hoffman.....	do.....	40,000	110.1
4240	Central National Bank, for Farmers and Mechanics' Savings Bank, Lockport, N. Y.....	New York.....	25,000	109
4241	Redmond, Kerr & Co.....	41 Wall street, New York.....	100,000	110
4242	First National Bank.....	Oswego, N. Y.....	50,000	110
4243	Mechanics' National Bank of New York, for the New England National Bank, Boston, Mass.....	New York.....	100,000	109
4244	Mechanics' National Bank of New York, for Red Oak National Bank, Red Oak, Iowa.....	do.....	40,000	110
4245	George A. Crocker, Joseph E. Brown, trustees.....	Care Blake Bros. & Co., New York.....	150,000	109.11
4246	New York Produce Exchange.....	New York.....	200,000	108
4247	National Bank of Commerce, New York, for American National Bank, Louisville, Ky.....	do.....	900,000	108
4248	Same, for Rockingham National Bank, Portsmouth, N. H.....	do.....	100,000	108
4249	National Bank of Commerce.....	do.....	500,000	108
4250	Same, for National Bank of Commerce, Boston, Mass.....	do.....	150,000	108
4251	Same, for Western Reserve National Bank, Cleveland, Ohio.....	do.....	150,000	108
4252	Same, for Second National Bank, Youngstown, Ohio.....	do.....	60,000	108
4253	Same, for Commercial National Bank, Cleveland, Ohio.....	do.....	300,000	108
4254	Pennsylvania Railroad Co.....	Philadelphia, Pa.....	250,000	108
4255	George Higginson.....	Boston, Mass.....	3,000	109
4256	Massachusetts National Bank.....	do.....	50,000	109
4257	Schulz & Ruckgaber.....	16-18 Exchange place, New York.....	250,000	110
4258	Central National Bank, New York, for Cheshire National Bank, Keene, N. H.....	New York.....	15,000	109.5
4259	First National Bank.....	Cincinnati, Ohio.....	1,200,000	109.5
4260	New York Produce Exchange.....	New York.....	60,000	110
4261	National Bank of Cold Spring on Hudson.....	Cold Spring, N. Y.....	10,000	110
4262	Ladenburg, Thalmann & Co.....	46 Wall street, New York.....	50,000	109.375
4263	Webster C. Estes.....	Care of Ladenburg, Thalmann & Co., New York.....	40,000	109
4264	Ladenburg, Thalmann & Co.....	46 Wall street, New York.....	35,000	109.25
4265	do.....	do.....	10,000	109.25
4266	do.....	do.....	10,000	109.50
4267	do.....	do.....	10,000	108.125
4268	do.....	do.....	2,500	110
4269	do.....	do.....	100,000	109.50
4270	do.....	do.....	50,000	108
4271	do.....	do.....	56,000	109
4272	W. E. Hutton & Co.....	Cincinnati, Ohio (care of Ladenburg, Thalmann & Co., 46 Wall street, New York).....	150,000	109
4273	do.....	do.....	150,000	107
4274	do.....	do.....	100,000	108
4275	do.....	do.....	200,000	105
4276	Ladenburg, Thalmann & Co.....	46 Wall street, New York.....	50,000	109
4277	do.....	do.....	100,000	107.50
4278	do.....	do.....	30,000	-----
4279	do.....	do.....	25,000	108.50
4280	do.....	do.....	25,000	109
4281	do.....	do.....	25,000	109.50
4282	do.....	do.....	25,000	110

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
4283	J. F. Williams.....	Boston Mass.....	\$10,000	109.40
4284	do.....	do.....	10,000	110.30
4285	do.....	do.....	10,000	111.10
4286	do.....	do.....	10,000	111.70
4287	do.....	do.....	10,000	112.10
4288	Merchants' National Bank of Baltimore.....	Baltimore, Md.....	350,000	110.075
4289	Woerishoffer & Co.....	52 Exchange place, New York.....	100,000	110.075
4290	The Singer Manufacturing Co.....	149 Broadway, New York.....	500,000	110.075
4291	President and Directors of the Manhattan Company.....	New York.....	500,000	110.075
4292	The Central National Bank of the City of New York.....	do.....	570,000	110.075
4293	Manhattan Trust Co.....	do.....	500,000	110.075
4294	Russak Bros. & Herzog.....	46 Exchange Place, New York.....	100,000	110.075
4295	E. H. Harriman.....	43 Wall street, New York.....	1,400,000	110.075
4296	S. Appel & Co.....	10 Catherine Slip, New York.....	5,000	110.075
4297	Hallgarten & Co.....	28 Broad street, New York.....	500,000	110.075
4298	do.....	do.....	300,000	110.075
4299	Naumburg, Lauer & Co.....	6 Wall street, New York.....	100,000	110.075
4300	J. H. Ralph.....	150 Nassau street, New York.....	233,000	110.075
4301	Norman Schultz, executor.....	do.....	118,000	110.075
4302	Cyrus J. Lawrence & Son.....	31 Broad street, New York.....	50,000	110.075
4303	R. Bleeker Rathborn.....	27 Pine street, New York.....	200,000	110.075
4304	Continental Insurance Co.....	46 Cedar street, New York.....	250,000	110.075
4305	Title Guarantee and Trust Co.....	55 Liberty street, New York.....	400,000	110.075
4306	The Seamen's Bank for Savings in the City of New York.....	New York.....	600,000	110.075
4307	Samuel Riker.....	145 Nassau street, New York.....	10,000	110.075
4308	Trust and Deposit Co.....	Onondaga, N. Y.....	60,000	110.075
4309	Lazard Freres.....	New York.....	4,000,000	110.075
4310	Amos R. Eno, Glens F. Eno.....	do.....	250,000	110.075
4311	German American Insurance Co.....	115 Broadway, New York.....	200,000	110.075
4312	William Buhler.....	26 Cortland street, New York.....	10,000	110.075
4313	Henry Bros.....	New York.....	125,000	110.075
4314	Georgiana Shannon.....	Care United States Trust Co., 45 Wall street, New York.....	50,000	110.075
4315	Sig. H. Rosenblatt.....	54 Wall street, New York.....	20,000	110.075
4316	American Fire Insurance Co.....	146 Broadway, New York.....	250,000	110.075
4317	Franklin Trust Co.....	164 Montague street, Brooklyn, N. Y.....	300,000	110.075
4318	L. Straus & Sons.....	New York.....	100,000	110.075
4319	People's Trust Co.....	Farmington, Me.....	50,000	110.075
4320	The Franklin Savings Bank.....	New York.....	100,000	110.075
4321	Miss Charlotte Baker.....	8 West Fifty-seventh street, New York.....	2,000	110.075
4322	Putnam County National Bank.....	Carmel, N. Y.....	50,000	110.075
4323	State Savings Bank.....	Detroit, Mich.....	100,000	110.075
4324	New York State National Bank.....	Albany, N. Y.....	300,000	110.075
4325	Syracuse Savings Bank.....	Syracuse, N. Y.....	300,000	110.075
4326	Mystic River National Bank.....	Mystic, Conn.....	75,000	110.075
4327	The Trustees of the Liverpool, and London and Globe Insurance Co.....	45 William street, New York.....	500,000	110.075

4328	Charles Minzesheimer & Co	7 Wall street, New York	100,000	110.075
4329	Merchants' National Bank	Cincinnati, Ohio	100,000	110.075
4330	Heidelbach, Ichelheimer & Co	New York	1,000,000	110.075
4331	H. A. Garfield	Garfield Building, Cleveland, Ohio	50,000	110.075
4332	do	do	50,000	110.075
4333	Alexander Menke	42 and 44 Green street, New York	10,000	110.075
4334	Redmond Kerr & Co	41 Wall street, New York	500,000	110.075
4335	do	do	25,000	110.075
4336	James McCreery & Co	New York	100,000	110.075
4337	Inman, Swann & Co	New York	300,000	110.075
4338	Dry Dock Savings Institution	Atlanta, Ga.	30,000	110.075
4339	Atlanta National Bank	Albany, N. Y.	300,000	110.075
4340	Albany County Savings Bank	41 Exchange Place, New York	100,000	110.075
4341	L. H. & A. Francke	3 Chambers street, New York	200,000	110.075
4342	East River Savings Institution	New York	500,000	110.075
4343	Greenwich Bank	do	5,000	110.075
4344	Seasongood & Mayer	45 Wall street, New York	50,000	110.075
4345	John S. Kennedy	Care of Blake Bros. & Co., 5 Nassau street, New York	1,000,000	110.075
4346	Lowell Lincoln, jr	New York	1,000,000	110.075
4347	Bank of New Amsterdam	do	250,000	110.075
4348	Greenwich Savings Bank of New York	Syracuse, N. Y.	2,000	110.075
4349	Onondaga County Savings Bank	78 and 80 Broad street, New York	5,000	110.075
4350	Charles A. Wissmany	New York	500,000	110.075
4351	Lewis E. Frith	5 Nassau street, New York	1,612,000	110.075
4352	Blake Bros. & Co	Boston, Mass.	4,000,000	110.075
4353	Lee, Higginson & Co	45 and 47 Wall street, New York	30,000	110.075
4354	United States Trust Co. of New York	45 Wall street, New York	550,000	110.075
4355	Oliver Harriman	26 Pine street, New York	2,000,000	110.075
4356	Charles Hathaway & Co	16 and 18 Nassau street, New York	300,000	110.075
4357	Vermilve & Co	31 Pine street, New York	50,000	110.075
4358	Wood, Huestis & Co	New York	1,200,000	110.075
4359	New York Produce Exchange Bank	Hartford, Conn.	200,000	110.075
4360	The Aetna Life Insurance Co	30 Pine street, New York	200,000	110.075
4361	Moffat & White	New York	1,400,000	110.075
4362	New York County National Bank	do	555,000	110.075
4363	Continental National Bank	15 Wall street, New York	50,000	110.075
4364	P. P. A. H. Boissevain, W. E. Glyn	72 Wall street, New York	120,000	110.075
4365	New York Fire Insurance Co	Burlington, Vt.	35,000	110.075
4366	The Burlington Savings Bank	do	5,000	110.075
4367	James Lang, jr	Cotton Exchange, New York	500,000	110.075
4368	J. G. Cohen	Pittsburg, Pa.	200,000	110.075
4369	The Merchants and Manufacturers' National Bank of Pittsburg	do	250,000	110.075
4370	German National Bank	New York	200,000	110.075
4371	Abram S. Hewitt	Boston, Mass.	750,000	110.075
4372	American Loan and Trust Co	do	400,000	110.075
4373	Parkinson & Burr	16 Congress street, Boston, Mass.	250,000	110.075
4374	Blodget Merritt & Co	Watertown, N. Y.	40,000	110.075
4375	Jefferson County Savings Bank	33 Wall street, New York	250,000	110.075
4376	Kean, Van Cortland & Co	Hudson, N. Y.	75,000	110.075
4377	National Hudson River Bank	do	75,000	110.075
4378	Hudson City Savings Institution	Niverville, N. Y.	6,000	110.075
4379	David Strain	do		

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
4380	The National Union Bank.....	Kinderhook, N. Y.....	\$60,000	110.075
4381	The Brooklyn Savings Bank.....	Brooklyn, N. Y.....	1,000,000	110.075
4382	A. R. Pick & Co.....	29 Broad street, New York.....	50,000	110.075
4383	James Talcott.....	108 Franklin street, New York.....	50,000	110.075
4384	M. C. Bouvier.....	16 Broad street, New York.....	200,000	110.075
4385	American National Bank.....	Baltimore, Md.....	100,000	110.075
4386	Industrial Trust Co.....	Providence, R. I.....	100,000	110.075
4387	Bank of New York, N. B. A.....	New York.....	250,000	110.075
4388	J. S. Farlee & Bro.....	11 Wall street, New York.....	100,000	110.075
4389	National Bank of D. O. Mills & Co.....	Sacramento, Cal.....	250,000	110.075
4390	The National Bank of the Republic.....	New York.....	1,100,000	110.075
4391	German National Bank of Little Rock, Ark., U. S. A.....	Little Rock, Ark.....	50,000	110.075
4392	The Central National Bank of the City of New York.....	New York.....	15,000	110.075
4393	Putnam Savings Bank.....	Putnam, Conn.....	20,000	110.075
4394	Buffalo Savings Bank.....	Buffalo, N. Y.....	250,000	110.075
4395	W. E. Patch.....	48 Franklin Square, New York.....	7,000	110.075
4396	The Safe Deposit Co. of New York.....	146 Broadway, New York.....	50,000	110.075
4397	Mechanics' National Bank.....	New York.....	500,000	110.075
4398	Joseph Milbank.....	Care of Mechanics' National Bank, New York.....	210,000	110.075
4399	Albert J. Milbank.....	71 Hudson street, New York.....	15,000	110.075
4400	Simon Borg & Co.....	New York.....	250,000	110.075
4401	H. E. Garth.....	33 Wall street, New York.....	25,000	110.075
4402	Agricultural National Bank.....	Pittsfield, Mass.....	20,000	110.075
4403	Zimmermann & Forshay.....	9 Wall street, New York.....	250,000	110.075
4404	Kidder, Peabody & Co.....	New York.....	500,000	110.075
4405	Dominick & Dickerman.....	74 Broadway, New York.....	60,000	110.075
4406	Halle & Stieglitz.....	34 and 36 New street, New York.....	60,000	110.075
4407	John Duane.....	381 Pearl street, New York.....	20,000	110.075
4408	Baring, Magoun & Co.....	New York.....	200,000	110.075
4409	Laidlow & Co.....	14 Wall street, New York.....	50,000	110.075
4410	Merchants' National Bank.....	New York.....	250,000	110.075
4411	A. E. Orr.....	do.....	50,000	110.075
4412	Union Trust Co.....	do.....	2,150,000	110.075
4413	Ladenburg, Thalmann & Co.....	do.....	2,000,000	110.075
4414	do.....	do.....	1,050,000	110.075
4415	W. E. Hutton & Co.....	Cincinnati, Ohio.....	1,000,000	110.075
4416	H. P. Goldschmidt & Co.....	New York.....	250,000	110.075
4417	Horace W. Carpenter.....	108 East Thirty-seventh street, New York.....	10,000	110.075
4418	Jacob Rubino.....	3 Broad street, New York.....	25,000	110.075
4419	Wolf Boroschek.....	149 East Fifty-sixth street, New York.....	15,000	110.075
4420	W. H. Crossman & Bro.....	New York.....	1,000,000	110.075
4421	United States Trust Co.....	do.....	4,000,000	110.075
4422	Old Colony Trust Co.....	Boston, Mass.....	550,000	110.075
4423	James A. Trowbridge.....	18 Nassau street, New York.....	1,030,000	110.075
4424	W. T. Hatch & Sons.....	96 Broadway, New York.....	25,000	110.075

4425	F. S. Smithers & Co.	37 and 39 Wall street, New York	3,000,000	110.075
4426	L. von Hoffman & Co.	50 Wall street, New York	7,500,000	110.075
4427	G. Amsinck & Co.	6 to 9 Hanover street, New York	250,000	110.075
4428	Mosle Bros.	16 Exchange place, New York	500,000	110.075
4429	Muller, Schall & Co.	54 Wall street, New York	325,000	110.075
4430	The Seaboard National Bank	New York	750,000	110.075
4431	Wätjen, Toel & Co.	70 and 72 Broad street, New York	500,000	110.075
4432	Fleitmann & Co.	New York	100,000	110.075
4433	Curtis & Motley	53 State street, Boston, Mass.	100,000	110.075
4434	Canadian Bank of Commerce	16 Exchange place, New York	1,500,000	110.075
4435	Graham F. Blandy	16 Broad street, New York	75,000	110.075
4436	Smithers & Reimer	52 Exchange place, New York	40,000	110.075
4437	W. D. Barbour & Co.	15 Wall street, New York	50,000	110.075
4438	F. S. Smithers & Co.	37 and 39 Wall street, New York	350,000	110.075
4439	Brown Bros. & Co.	New York	2,000,000	110.075
4440	Central Trust Co.	do	5,315,000	110.075
4441	do	do	25,000	108.106
4442	do	do	25,000	105.106
4443	Ladenburg, Thalmann & Co.	46 Wall street, New York	50,000	110.075
4444	P. J. Goodhart & Co.	38 Wall street, New York	50,000	110.075
4445	Lehman Bros.	16-22 Williams street, New York	200,000	110.075
4446	Ladenburg, Thalmann & Co.	46 Wall street, New York	50,000	110.075
4447	do	do	25,000	110.50
4448	Kidder, Peabody & Co.	Boston, Mass.	500,000	112.21
4449	do	do	1,000,000	111.23
4450	do	do	2,000,000	110.69
4451	do	do	1,000,000	109.59
4452	do	do	1,500,000	108.19
4453	Kountze Bros. & Co., by Lewis Johnson & Co.	do	100,000	111.25
4454	A. W. Wood	Washington, D. C.	6,000	111
4455	F. S. Moseley & Co.	70 State street, Boston, Mass.	500,000	111.357
4456	Third National Bank	35 Congress street, Boston, Mass.	50,000	110.81
4457	do	Boston, Mass.	50,000	110.31
4458	do	do	20,000	109.33
4459	do	do	20,000	108.27
4460	do	do	20,000	107.56
4461	do	do	20,000	106.56
4462	Benjamin Kimball	53 State street, Boston, Mass.	10,000	110.30
4463	W. B. Hibbs & Co.	Washington, D. C.	250,000	111.015
4464	do	do	250,000	110.76
4465	do	do	10,000	110.25
4466	Manufacturers' Trust Co.	Brooklyn, N. Y.	60,000	112.10
4467	Naugatuck National Bank	Naugatuck, Conn.	125,000	109
4468	Blair & Co.	33 Wall street, New York	300,000	111.79
4469	The Merchants' Loan and Trust Co.	Chicago, Ill.	100,000	109.75
4470	do	do	100,000	109.84
4471	do	do	100,000	109.82
4472	do	do	50,000	110.52
4473	Baring, Magoun & Co.	New York	100,000	110.76
4474	do	do	100,000	110.26
4475	do	do	140,000	109.26
4476	do	do	40,000	108.26

TABLE No. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
4477	Baring, Magoun & Co	New York	\$50,000	107.26
4478	do	do	80,000	106.26
4479	do	do	100,000	105.26
4480	The American Exchange National Bank	do	500,000	111
4481	J. P. Morgan & Co., The National City Bank of New York, Deutsche Bank of Berlin, Harvey Fisk & Sons.	do	100,000,000	110.6877
4482	Seaboard National Bank	do	200,000	110.125
4483	Redmond, Kerr & Co., agents	do	25,000	110.388
4484	Edward Sweet & Co	do	100,000	109.125
4485	Albert Stettheimer	do	25,000	110.2992
4486	do	do	100,000	108.3125
4487	do	do	100,000	107.59375
4488	do	do	100,000	106.859375
4489	do	do	100,000	107.5
4490	do	do	100,000	105
4491	do	do	285,000	109
4492	do	do	50,000	109
4493	do	do	20,000	108
4494	do	do	20,000	109
4495	do	do	20,000	110
4496	do	do	300,000	110.25
4497	Estabrook & Co	Boston, Mass	1,000,000	110.32
4498	Albert Stettheimer	New York	130,000	110.62
4499	Goldman, Sachs & Co	9 Pine street, New York	125,000	105.875
4500	do	do	125,000	106.875
4501	do	do	250,000	108.125
4502	do	do	250,000	109.125
4503	do	do	125,000	110.375
4504	do	do	125,000	110.875
4505	N. W. Harris & Co	15 Wall street, New York	250,000	110.42
4506	do	do	200,000	110.67
4507	do	do	200,000	110.92
4508	do	do	200,000	111.17
4509	do	do	200,000	111.42
4510	do	do	200,000	111.67
4511	do	do	200,000	111.92
4512	do	do	150,000	112.17
4513	do	do	150,000	112.42
4514	do	do	150,000	112.67
4515	do	do	100,000	112.79
4516	Dent, Palmer & Co., of London	do	250,000	111.47
4517	Waukesha National Bank	Waukesha, Wis	75,000	111.11
4518	National Union Bank, New York, for Citizens' National Bank, Appleton, Wis.	do	10,000	110
4519	James M. Pratt	65 Cedar street, New York	20,000	107

4520	do	do	20,000	107.5
4521	do	do	20,000	108
4522	do	do	20,000	108.5
4523	do	do	20,000	109
4524	do	do	20,000	109.5
4525	do	do	20,000	110.125
4526	Guaranty Trust Co.	New York	1,400,000	110
4527	do	do	40,000	108
4528	Bank of Montreal	Agency Bank of Montreal, New York	500,000	110
4529	do	do	500,000	109.5
4530	do	do	250,000	108.5
4531	do	do	200,000	108
4532	do	do	50,000	107.5
4533	Cuyler, Morgan & Co.	Care G. S. Whitson, 52 Wall street, New York	160,000	109.5
4534	W. E. Magie	do	6,000	110.5
4535	German Bank of Louisville, Ky.	do	50,000	108
4536	Petersburg Savings and Insurance Co.	Petersburg, Va.	5,000	108.10
4537	do	do	5,000	109.10
4538	Wisconsin National Bank	do	5,000	110.10
4539	Bank of Oxford	do	5,000	111.10
4540	Lazard Frères	do	5,000	112.10
4541	do	do	5,000	113.10
4542	do	do	50,000	113
4543	do	do	50,000	107.0625
4544	do	do	15,000	109.0856
4545	do	do	1,000,000	110.70
4546	Hanover National Bank	10 Wall street, New York	1,000,000	111.29
4547	do	do	1,000,000	111.55
4548	do	do	1,500,000	111.70
4549	do	do	25,000	111.75
4550	do	do	25,000	111
4551	do	do	100,000	110
4552	do	do	15,000	108
4553	do	do	5,000	109
4554	do	do	5,000	110
4555	do	do	26,000	109
4556	do	do	12,500	110
4557	do	do	20,000	110
4558	do	do	10,000	106
4559	Hanover National Bank, for First National Bank, Lincoln, Ill.	do	5,000	110
4560	Hanover National Bank	do	20,000	108
4561	do	do	20,000	110
4562	do	do	10,000	108.50
4563	do	do	10,000	109.50
4564	do	do	10,000	110.50
4565	do	do	10,000	111.50
4566	do	do	10,000	112.50
4567	do	do	50,000	110
4568	do	do	10,000	108
4569	do	do	2,000	110
4570	Hanover National Bank, for First National Exchange Bank, Port Huron, Mich.	do	100,000	111.625

TABLE NO. 1.—SUBSCRIPTIONS TO 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Total.	Price.
4565	Hanover National Bank of New York, for First National Exchange Bank, Port Huron, Mich.	New York	\$50,000	110.50
4566	Hanover National Bank	do	25,000	109.50
4567	do	do	50,000	110.13
4568	L. A. Mellen	1147 Broadway, New York	25,000	107.60
4569	do	do	25,000	107.10
4570	do	do	25,000	106.60
4571	do	do	25,000	106.10
4572	Gray & Russell	Greene, N. Y.	5,000	114.50
4573	Jacob Goldsmith	137 Cedar street, Roxbury district, Boston, Mass.	10,000	108
4574	do	do	5,000	110.25
4575	Charles Skinner	62 West One hundred and thirteenth street, New York	1,000	108
4576	Anson P. Stephens	41 Dey street, New York	3,000	107.50
4577	Ezra P. Hoyt	17 West Thirty-ninth street, New York	5,000	107
4578	do	do	5,000	110
4579	Thomas B. Humphrey	Churubusco, N. Y.	1,000	109.0856
4580	Joseph F. Wiggin	28 State street, Boston, Mass.	3,000	111.50
4581	Buffalo Loan, Trust and Safe Deposit Co.	do	3,000	111
4582	Charles W. Ford	449 Main street, Buffalo, N. Y.	20,000	109.06
4583	First National Bank	Fishers, Ontario County, N. Y.	200	108
4584	City Institution for Savings	Bath, N. Y.	2,000	110
4585	Henry F. Smith	Lowell, Mass.	10,000	110
4586	Shelburne Falls National Bank	89 State street, Boston, Mass.	1,600	108
4587	Merchants' National Bank	Shelburne Falls, Mass.	12,500	112.50
4588	National Commercial Bank	Peoria, Ill.	100,000	110.0625
4589	First National Bank	Albany, N. Y.	100,000	107.50
4590	do	Cardington, Ohio	10,000	110
4591	do	do	10,000	108
4592	United States Trust Co.	Boston, Mass.	10,000	109
4593	Cora Theresa White	417 and 419 Columbus avenue, Boston, Mass.	100,000	110.35
4594	Housatonic National Bank	Stockbridge, Mass.	500,000	111.5311
4595	do	do	10,000	107.50
4596	do	do	10,000	108
4597	do	do	10,000	108.50
4598	do	do	10,000	109
4599	First National Bank	Merrimac, Mass.	10,000	110
4600	Amoskeag National Bank	Manchester, N. H.	10,000	109.80
4601	Albert H. Beck	Wellesley Hills, Mass.	50,000	108.11
4602	Curtis & Motley	53 State street, Boston Mass.	5,000	110.33
4603	do	do	500,000	110.05
4604	Estabrook & Co.	Boston, Mass.	3,000	111
4605	Shawmut National Bank	do	15,000	110
4606	Old Colony Trust Co.	do	10,000	109.50
4607	J. Peavy & Bros.	do	10,000	109.0856
		do	50,000	112

4608	Old Colony Trust Co	do	10,000	110
4609	First National Bank	Cambridge, Mass	20,000	111.55
4610	National Hide and Leather Bank	Boston, Mass	50,000	109
4611	H. M. Nichols	do	25,000	110.386
4612	State National Bank	do	200,000	109
4613	do	do	100,000	108
4614	do	do	100,000	107
4615	Industrial Trust Co	Providence, R. I	780,000	109.01
4616	J. S. Crossman & Co	Brockton, Mass	700,000	108.01
4617	James I. Brooks	Box 1310, Boston, Mass	50,000	105.10
4618	do	do	50,000	106.10
4619	do	do	50,000	107.10
4620	do	Boston, Mass	50,000	108.10
4621	Tower, Giddings & Co	do	100,000	106
4622	E. Rollins Morse & Bro	do	200,000	110.127
4623	do	do	200,000	109.127
4624	do	do	50,000	109.09
4625	do	do	50,000	108.57
4626	do	do	25,000	108.19
4627	do	do	300,000	108.127
4628	do	do	50,000	108.07
4629	do	do	25,000	107.77
4630	do	do	50,000	107.55
4631	do	do	500,000	107.127
4632	do	do	50,000	107.03
4633	do	do	1,000,000	106.127
4634	Devens, Lyman & Co	No. 4 Post-Office Square, Boston, Mass	25,000	109
4635	Estabrook & Co., as agents	35 Congress street, Boston, Mass	25,000	106.5
4636	do	do	25,000	107
4637	do	do	25,000	107.5
4638	do	do	25,000	108
4639	Hiram S. Hill	Care of Faneuil Hall National Bank, Boston, Mass	2,500	110
4640	Robert Treat Paine	6 Jay street, Boston, Mass	1,000,000	105.127
4641	Redmond, Kerr & Co	New York	100,000	109.625
553	John A. Nabers	Vernon, Tex	688,000,000	.....
2010	A. P. Daughters	Moore's Hill, Ind.		
2662	J. E. Simonds	Eugene, Oreg.	\$16,000,000	
2958	C. L. Riker	Newburg, N. Y.	100,000,000	
3258	do	do	29,130,000	
3260	do	do	4,000,000	
		do	6,900,000	
		do	5,000,000	
			161,030,000	.....
			526,970,000	.....
				

The foregoing table includes bids which were regarded as not genuine, amounting to \$161,030,000. The names and addresses given are as follows:

Amount of bids which are believed to have been made in good faith.

TABLE No. 2.
DISTRIBUTION OF BIDS, BY STATES.

State.	Amount.	State.	Amount.
Alabama	\$1,001,000	Nebraska.....	\$256,300
Arizona	2,500	Nevada.....	5,000
Arkansas.....	129,800	New Hampshire.....	840,350
California	4,042,050	New Jersey	5,300,950
Colorado	718,000	New Mexico.....	25,100
Connecticut.....	3,361,250	New York.....	381,393,650
Delaware.....	104,000	North Carolina.....	1,007,450
District of Columbia.....	3,451,350	North Dakota	33,600
Florida	944,950	Ohio.....	12,397,650
Georgia	607,950	Oregon.....	115,050
Illinois.....	10,448,700	Pennsylvania.....	15,687,300
Indiana.....	3,008,800	Rhode Island.....	5,270,650
Indian Territory	2,500	South Carolina.....	365,000
Iowa	815,100	South Dakota	62,900
Kansas.....	278,850	Tennessee.....	768,200
Kentucky.....	772,100	Texas	391,350
Louisiana	525,500	Vermont	824,750
Maine.....	1,287,800	Virginia.....	678,600
Maryland	4,455,700	Washington.....	606,500
Massachusetts	56,152,850	West Virginia	748,650
Michigan.....	1,381,050	Wisconsin.....	1,034,050
Minnesota.....	1,165,400	Wyoming.....	6,000
Mississippi.....	339,500	Nova Scotia.....	120,000
Missouri	1,453,750		
Montana	2,580,500	Total.....	526,970,000

TABLE No. 3.

ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925.

UNDER CIRCULARS OF JANUARY 6, 9, AND 15, 1896.

[See footnote, page 122.]

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
11	H. Clagett.....	Centreville, Tenn.....	\$1,000	119.3229	\$1,193.23
13	Union National Bank of Macomb.....	Macomb, Ill.....	30,000	111.50	33,450.00
24	P. M. Robinson.....	West Union, W. Va.....	1,000	112	1,120.00
26	Bank of Commerce.....	Chanute, Kans.....	1,000	115	1,150.00
27	Henry D. Chute.....	Westinghouse Electric and Manufacturing Co., Pittsburg, Pa.	100	112	112.00
28	W. R. Brown.....	Passaic, N. J.....	100	120	120.00
37	William Wisenburger.....	11 Wall street, New York.....	20,000	112	22,400.00
47	F. W. Childs.....	Brattleboro, Vt.....	200	112	224.00
50	Camden Safe Deposit and Trust Co.....	Camden, N. J.....	25,000	111	27,750.00
50	do.....	do.....	25,000	111.50	27,875.00
50	do.....	do.....	25,000	112	28,000.00
54	P. B. Felts.....	Potocasi, N. C.....	50	120	60.00
57	Fourth National Bank.....	Cadiz, Ohio.....	10,000	112	11,200.00
61	George Wilson.....	36 Nassau street, New York.....	5,000	114	5,700.00
77	Harrison National Bank.....	Cadiz, Ohio.....	25,000	112	28,000.00
82	Arthur P. Howard.....	151 West End avenue, New York.....	50	114	57.00
85	Robert E. Glendinning.....	400 Chestnut street, Philadelphia, Pa.....	500,000	112.75	563,750.00
90	First National Bank.....	Arlington, Mass.....	5,000	111	5,550.00
90	do.....	do.....	5,000	111.50	5,575.00
90	do.....	do.....	5,000	112	5,600.00
90	do.....	do.....	5,000	112.50	5,625.00
93	Eugene Davis.....	Spring Hill, Kans.....	100	113.89	113.89
96	B. F. Welty.....	Alma, Mich.....	100	119.3229	119.32
101	Williamsburgh Savings Bank.....	Brooklyn, N. Y.....	500,000	111	555,000.00
104	Mrs. B. Epstein.....	69 East Eighty-second street, N. Y.....	3,500	112	3,920.00
120	William H. Terrell.....	Macon, Mo.....	450	115	517.50
123	Mrs. J. Hoffman.....	821 North Robie street, Chicago, Ill.....	500	113	565.00
128	Stoneham National Bank.....	Stoneham, Mass.....	10,000	112	11,200.00
136	A. Walton Fleming.....	1320 F street, Washington, D. C.....	50	120	60.00
137	Mary E. Fleming.....	do.....	200	120	240.00
138	Otto A. Stoll.....	Room 14 City Hall, Detroit, Mich.....	50	120	60.00
143	Ellen Ryan.....	98 Tremont street, Brooklyn, New York.....	300	117	351.00
145	Victor S. Sobel.....	516 North College street, Nashville, Tenn.....	2,000	119.3229	2,386.46
155	Emanuel Newman.....	212 Second street, New York.....	200	112	224.00
165	Joseph Withington.....	Mattoon, Ill.....	100	116	116.00
185	Emerson Cole.....	Guaranty Loan Building, Minneapolis, Minn.....	1,200	115	1,380.00
189	Adrian H. Jackson.....	163 East Twenty-seventh street, New York.....	2,000	114	2,280.00
198	C. Haase.....	Washburn, Ill.....	100	115	115.00

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
203	Suffolk Savings Bank for Seamen and Others	Boston, Mass.	\$200,000	111.50	\$223,000.00
209	Minnie Doerr	142½ North Clark street, Chicago, Ill.	500	113	565.00
217	Mary Florence Gorter	1127 Chestnut street, Evansville, Ind.	1,500	114.0506	1,710.76
221	George B. Baker	33 South street, Baltimore, Md.	10,000	112.50	11,250.00
222	Thomas Torpey	433 Fifth avenue, Leavenworth, Kans.	1,000	112.50	1,125.00
226	Albert L. Judson	Albany, N. Y.	500,000	113.75	568,750.00
236	Trenton Banking Co.	Trenton, N. J.	30,000	114	34,200.00
240	J. S. Wood	Vernon, Tex.	50	114	57.00
244	E. G. Kusswurm	690 Lincoln avenue, Chicago, Ill.	50	115	57.50
247	Second National Bank	Cooperstown, N. Y.	30,000	112	33,600.00
251	Third National Bank	Louisville, Ky.	20,000	112	22,400.00
253	George C. Paine	Aberdeen, Miss.	200	115	230.00
270	Farmers' National Bank	Pennsburg, Pa.	10,000	112	11,200.00
273	Nicholas Murphy	Apple River, Ill.	1,000	117	1,170.00
274	First National Bank	Litchfield, Ill.	15,000	112	16,800.00
281	First National Bank	Greencastle, Pa.	1,500	116	1,740.00
283	Arthur B. Wells	Room 914, Association Building, 155 LaSalle street, Chicago, Ill.	350	113.75	398.12
290	First National Bank	Manhattan, Kans.	10,000	112	11,200.00
293	State National Bank	Cleveland, Ohio	100,000	112.80	112,800.00
296	American Mechanics' Funeral Benefit Association	Room 10, No. 631 Chestnut street, Philadelphia, Pa.	10,000	112.7814	11,278.14
302	W. W. Funge, jr.	San Francisco, Cal.	1,000	114	1,140.00
303	People's Bank	Wilkesbarre, Pa.	20,000	112.7814	22,556.28
303	do	do	15,000	111.5310	16,729.65
306	Littleton National Bank	Littleton, N. H.	2,500	112	2,800.00
311	John Greenleaf	Wiscasset, Me.	300	112	336.00
314	John P. Deshler	McConnellsville, Ohio	1,200	111	1,332.00
325	Michael Tito	San Antonio, Tex.	250	119.3329	298.33
330	Calvin Cain	216 Fourteenth street, Washington, D. C.	50	114	57.00
335	Parkersburg National Bank	Parkersburg, W. Va.	2,000	112	2,240.00
338	Arthur J. Stevens	Room 710, Chicago Athenæum Building, Chicago, Ill.	100	112.50	112.50
339	Kalamazoo County Bank	Schoolcraft, Mich.	1,500	112	1,680.00
341	Lorenzo Rank	Care of First National Bank, Aurora, Ill.	1,000	112	1,120.00
343	John G. Mooney	Bangor, Me.	2,500	111	2,775.00
344	do	do	2,500	113	2,825.00
349	Albert W. Weatherbee	Danforth, Me.	500	112	560.00
359	Andrew Melgaard	Warren, Minn.	200	115	230.00
365	George W. Hoover	Crestline, Ohio	200	112.50	225.00
371	L. B. Harris	Lyndonville, Vt.	5,000	112.50	5,625.00
369	First National Bank	Helena, Ark.	10,000	114	11,400.00
374	The National Bank of Urbana	Urbana, Ohio	50,000	112	56,000.00
375	National Shoe and Leather Bank	Auburn, Me.	25,000	112.03	28,007.50
380	Shaw Piano Co.	Erle, Pa.	50	121	60.50
385	Schenevus National Bank	Schenevus, N. Y.	10,000	112	11,200.00
402	Claude C. Smallwood	Harrodsburg, Ind.	100	116	116.00
407	Matteawan National Bank	Matteawan, N. Y.	2,500	112.7814	2,819.53

408	do	2,500	116,6471	2,916.18
411	Mrs. Augusta Gruber	50	114	57.00
413	Chas. H. Cook, trustee	1,000	112,7814	1,127.81
421	John P. Dennett	500	112	560.00
430	First National Bank	50,000	112	56,000.00
432	H. H. Copeland	250	112	280.00
433	F. J. Brown	1,000	112	1,120.00
434	Jonas Struble	100	113	113.00
435	Chas. Hansel	1,500	112,7814	1,691.72
449	Joseph Morris	20,000	112	22,400.00
451	Wm. T. Den	5,500	111	6,105.00
454	John A. Hall, trustee	2,200	112,25	2,469.50
457	John A. Hall	2,000	112,25	2,245.00
461	W. G. Saunders	1,000	119,3229	1,193.23
462	Alfred Denio	25,000	112,7814	28,195.35
465	D. Noonan	500	115	575.00
472	W. C. Woodbury	300	116,6471	349.94
475	John F. Ruggles	1,500	112	1,680.00
482	People's Bank	10,000	112,50	11,250.00
484	Adolph Silberstein, grand secretary	30,000	112	33,600.00
489	Allen C. Sawyer	3,000	111	3,330.90
491	Phillips National Bank	12,500	111	13,875.00
491	do	12,500	112	14,000.00
492	Big Sandy National Bank	25,000	111	27,750.00
494	Belknap Savings Bank	1,000	113	1,130.00
495	John C. Deppen	1,250	114	285.00
497	First National Bank	20,000	111,80	22,360.00
498	First National Bank of Yarmouth	3,000	112	3,360.00
501	Arthur F. Belcher	1,000	112,50	1,125.00
503	Hannibal Russell	1,000	111	1,110.00
518	John W. Brown	250	115	287.50
525	Mrs. Rose Longini	300	111,50	334.50
529	Salem National Banking Co.	5,500	115	6,325.00
534	David Lebermuth	7,000	111	7,770.00
535	Jos. A. McKillip	4,000	112	4,480.00
540	Reading National Bank	50,000	112	56,000.00
542	Cedar Rapids National Bank	27,000	111,57	30,123.90
543	Packard National Bank	25,000	111,01	27,752.50
549	Boatmen's Bank	105,500	112	118,160.00
550	Mattapan Deposit and Trust Co.	14,000	111,02	15,542.80
556	Bank of Charleston, National Banking Association	50,000	111,125	55,562.50
557	do	50,000	111,625	55,812.50
558	do	25,000	112	28,000.00
559	do	25,000	112,25	28,062.50
560	do	25,000	112,75	28,187.50
561	do	25,000	112,50	28,125.00
562	L. O. Abbey	1,000	112	1,120.00
566	S. W. Rindskopf	3,000	111	3,330.00
571	Edwin F. Meyer	50	125	62.50
575	Lizzie Engelhart	400	111,5310	446.12
577	Mifflin County National Bank	2,000	116	2,320.00
595	S. Jarnulowsky	2,000	112	2,240.00
	do			
	Downing, Wis.			
	Care of Security Trust Co., Philadelphia, Pa.			
	Arlington, Mass.			
	Shamokin, Pa.			
	Douglas, Kans.			
	226 South Spring street, Los Angeles, Cal.			
	Monroe, N. J.			
	Easton, Pa.			
	Care of John Stick & Bro., New York, N. Y.			
	Brownsville, Nebr.			
	Trenton, N. J.			
	do			
	Mount Pleasant, Iowa			
	Girard, Pa.			
	Chico, Cal.			
	Dover, Me.			
	West Burke, Vt.			
	Lansingburg, N. Y.			
	141 Second avenue, New York			
	Whitehall, N. Y.			
	Phillips, Me.			
	do			
	Catlettsburg, Ky.			
	Laconia, N. Y.			
	Myerstown, Pa.			
	Bloomsburg, Pa.			
	Yarmouthport, Mass.			
	Farmington, Me.			
	do			
	Care of Western Union Telegraph office, Augusta, Ga.			
	1626 Prairie avenue, Chicago, Ill.			
	Salem, N. J.			
	846 Sixth avenue, New York			
	Baltimore, Md.			
	Reading, Pa.			
	Cedar Rapids, Iowa			
	Greenfield, Mass.			
	St. Louis, Mo.			
	South Boston, Mass.			
	Charleston, S. C.			
	do			
	do			
	do			
	do			
	do			
	Ness City, Kans.			
	38 Water street, New York			
	2009 Prairie avenue, Chicago, Ill.			
	Lansing, Mich.			
	Lewistown, Pa.			
	54 Canal street, New York			

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
598	Gustav Schmidt.....	McKeesport, Pa.....	\$1,000	113	\$1,130.00
600	Joseph N. Brown.....	Anderson, S. C.....	5,000	113.25	5,662.50
602	C. L. Anderson.....	Kosciusko, Miss.....	1,000	117	1,170.00
614	Pacific National Bank.....	Nantucket, Mass.....	10,000	112	11,200.00
617	First National Bank.....	Cadiz, Ohio.....	20,000	114	22,800.00
620	First National Bank.....	Mifflintown, Pa.....	19,000	112	21,280.00
625	John A. Weatherbee.....	Danforth, Me.....	1,000	111.001	1,110.01
626	do.....	do.....	1,000	111.005	1,110.05
635	First National Bank.....	Emlenton, Pa.....	5,000	112	5,600.00
637	Fourth National Bank.....	Columbus, Ga.....	30,000	115.3391	34,601.73
647	Citizens' National Bank.....	Tilton, N. H.....	5,000	111.531	5,576.55
651	Henry Merriam.....	487 Greene avenue, Brooklyn, N. Y.....	50	150	75.00
661	Citizens' National Bank.....	Marietta, Ohio.....	5,000	118	5,900.00
665	Mrs. Richard Reid.....	Mount Sterling, Ky.....	1,000	111	1,110.00
665	do.....	do.....	100	113	113.00
666	Arthur B. Chapman.....	2100 Gilpin street, Denver, Colo.....	1,000	115	1,150.00
667	Herbert Myrick.....	Springfield, Mass.....	100	119.3229	119.32
677	M. P. Levy.....	113 Pearl street, New York.....	5,000	111.50	5,575.00
678	do.....	do.....	5,000	112.50	5,625.00
683	Henry W. Frost & Co.....	Savannah, Ga.....	5,000	111.50	5,575.00
684	do.....	do.....	5,000	112.50	5,625.00
694	E. H. Alford.....	Tallahassee, Fla.....	5,000	112	5,600.00
695	Central National Bank.....	Greencastle, Ind.....	25,000	111	27,750.00
697	Lewis Dusenber.....	1318 Sutter street, San Francisco, Cal.....	30,000	116.625	34,987.50
702	First National Bank.....	Pasadena, Cal.....	25,000	116.6471	29,161.78
705	National Bank of Orange County.....	Chelsea, Vt.....	15,000	111	16,650.00
709	Aurora National Bank.....	Aurora, Ind.....	5,000	111.50	5,575.00
713	Albert W. Akers.....	Nashville, Tenn.....	100,000	112.50	112,500.00
713	do.....	do.....	100,000	111.25	111,250.00
716	Manayunk National Bank.....	Philadelphia, Pa.....	50,000	112	56,000.00
733	George N. Osborne.....	Michigan City, N. Dak.....	50	112	56.00
741	Peoples' National Bank.....	Marlboro, Mass.....	5,000	112	5,600.00
745	do.....	do.....	10,000	111.50	11,150.00
746	Oxford National Bank.....	Oxford, Mass.....	3,000	112	3,360.00
749	Albert G. Brock.....	Nantucket, Mass.....	100	112.07	112.07
751	Tompkins County National Bank.....	Ithaca, N. Y.....	5,000	111.531	5,576.55
759	Bradford National Bank.....	Bradford, Pa.....	70,000	111	77,700.00
760	do.....	do.....	60,000	112	67,200.00
761	National Bank of South Reading.....	Wakefield, Mass.....	25,000	111.25	27,812.50
763	A. L. Leland.....	59 Congress street, Boston, Mass.....	100,000	111.5340	111,534.00
768	First National Bank.....	Wallingford, Conn.....	20,000	112	22,400.00
770	First National Bank.....	Susquehanna Depot, Pa.....	15,000	112	16,800.00
775	Henry Mulberger.....	Watertown, Wis.....	1,000	112	1,120.00
777	Searsport National Bank.....	Searsport, Me.....	5,000	111.5310	5,576.55
792	Randolph M. Davis, jr.....	St. Joseph, Mo.....	50	115	57.50

793	William Fairleigh Enright	St. Joseph, Mo.	50	115	57.50
794	Payne and Williams Bank	Fayette, Mo.	3,000	114	3,420.00
795	S. A. Underhill	71 Haverhill street, Boston, Mass.	1,000	112.05	1,120.50
795	do	do	1,000	113.05	1,130.50
795	do	do	1,000	111.05	1,110.50
798	Charles S. Barney	West Union, N. Y.	1,300	115	1,495.00
817	John J. Louthan	Canton, Mo.	5,000	112	5,600.00
820	John J. Blair	Peebles, Ohio	4,350	115	5,002.50
822	First National Bank	Vevay, Ind.	5,000	112	5,600.00
829	Bristol County National Bank	Taunton, Mass.	15,000	112.75	16,912.50
834	Essex Savings Bank	Lawrence, Mass.	100,000	110.75	110,750.00
835	First National Bank	Fort Dodge, Iowa	10,000	112.125	11,212.50
836	do	do	10,000	111.125	11,112.50
844	Second National Bank	Toledo, Ohio	50,000	111.10	55,550.00
849	Bankers' National Bank	Chicago, Ill.	21,000	111.01	23,312.10
861	Union National Bank	Philadelphia, Pa.	25,000	111.5310	27,882.75
862	Stanislas Strozynski	435 Ellis street, San Francisco, Cal.	9,000	114.0506	10,264.55
866	Lincoln National Bank	Boston, Mass.	40,000	112.10	44,840.00
866	do	do	20,000	110.76	22,152.00
866	do	do	40,000	111.76	44,704.00
866	do	do	30,000	111.04	33,312.00
868	First National Bank	Mount Vernon, Ohio	1,150	112.50	1,293.75
885	First National Bank	Georgetown, Ohio	10,000	112	11,200.00
886	Jeremiah Hosmer	102 Bowdoin street, Boston, Mass.	6,500	112	7,280.00
889	Charles W. Carter	Norwich, Conn.	1,000	112	1,120.00
899	Warren Institute for Savings	Charlestown, Mass.	200,000	111.531	223,062.00
900	Port Chester Savings Bank	Port Chester, N. Y.	10,000	113	11,300.00
905	First National Bank	Ashland, Ohio	10,000	112	11,200.00
909	Exchange National Bank	Pittsburg, Pa.	50,000	111	55,500.00
910	do	do	50,000	112	56,000.00
914	Taunton National Bank	Taunton, Mass.	20,000	112	22,400.00
915	First National Bank	Cumberland, Md.	15,000	112	16,800.00
917	do	do	15,000	113	16,950.00
918	Charles C. Craft	Crafton, Pa.	1,000	111.75	1,117.50
924	Illinois Trust and Savings Bank	Chicago, Ill.	100,000	110.875	110,875.00
929	Citizens' National Bank	Marietta, Ohio	1,000	115	1,150.00
931	Savings and Trust Co.	Cleveland, Ohio	50,000	112	56,000.00
942	Yonkers Savings Bank	Yonkers, N. Y.	50,000	111.50	55,750.00
953	John M. Stief	Meyersdale, Pa.	2,000	112	2,240.00
957	First National Bank	Grafton, W. Va.	10,000	113.50	11,350.00
958	do	do	10,000	114	11,400.00
959	George W. Bauer	1148 Seventh street SW., Washington, D. C.	400	112.7814	451.13
961	Thomas E. Davis	Grafton, W. Va.	10,000	112	11,200.00
964	Arthur T. Cate	Wolfboro, N. H.	500	111	555.00
965	Ipswich Savings Bank	Ipswich, Mass.	5,000	112	5,600.00
968	Port Chester Savings Bank	Port Chester, N. Y.	10,000	111	11,100.00
970	Bank of Athens	Athens, Ohio	11,000	111	12,210.00
972	Timothy Driscoll	Reading, Shasta County, Cal.	1,000	117	1,170.00
977	Lynn Institution for Savings	Lynn, Mass.	25,000	111	27,750.00
981	Francis F. Emery	105 Bedford street, Boston, Mass.	1,000	111	1,110.00
989	United States National Bank	Pittsburg, Pa.	50,000	111.05	55,525.00
1008	German Savings Bank	New Orleans, La.	25,000	112	28,000.00

INVESTIGATION OF BOND SALES.

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
1016	Winthrop National Bank.....	Boston, Mass.....	\$10,000	112.50	\$11,250.00
1017	do.....	do.....	10,000	112	11,200.00
1018	do.....	do.....	10,000	111.50	11,150.00
1019	do.....	do.....	10,000	111	11,100.00
1022	do.....	do.....	100,000	111.51	111,510.00
1026	do.....	do.....	50,000	111.532	55,766.00
1030	J. G. L. Ackerman, cashier.....	Schenectady, N. Y.....	5,000	111.50	5,575.00
1031	National Bank of Commerce.....	Tacoma, Wash.....	4,000	114	4,560.00
1032	First National Bank.....	Portsmouth, N. H.....	25,000	112.1875	28,046.88
1033	do.....	do.....	25,000	111.1250	27,781.25
1036	Merchants Loan and Trust Co.....	Chicago, Ill.....	100,000	110.75	110,750.00
1042	do.....	do.....	100,000	110.84	110,840.00
1043	do.....	do.....	100,000	110.82	110,820.00
1049	First National Bank.....	Lynn, Mass.....	25,000	111.50	27,875.00
1050	do.....	do.....	25,000	111.25	27,812.50
1052	First National Bank, Buchanan County.....	St. Joseph, Mo.....	2,000	111	2,220.00
1058	Warren National Bank.....	Peabody, Mass.....	20,000	111	22,200.00
1059	do.....	do.....	20,000	112	22,400.00
1060	do.....	do.....	20,000	113	22,600.00
1064	The Bank of California.....	San Francisco, Cal.....	50,000	114.05	57,025.00
1065	do.....	do.....	100,000	111.531	111,531.00
1066	Charles E. Berry.....	Danforth, Me.....	1,000	112.001	1,120.01
1067	do.....	do.....	1,000	111.05	1,110.50
1068	do.....	do.....	1,000	111.001	1,110.01
1069	Mrs. Jno. A. Wetherbee.....	do.....	500	112.006	560.03
1078	Bernhard Schartan.....	Giant, Contra Costa County, Cal.....	2,000	115	2,300.00
1080	First National Bank.....	Plattsburg, Mo.....	12,500	112.50	14,062.50
1084	F. W. Wilcox.....	Minonk, Ill.....	500	112	560.00
1085	The Bank of California.....	San Francisco, Cal.....	100,000	112.78	112,780.00
1089	National Exchange Bank.....	Steubenville, Ohio.....	20,000	112.50	22,500.00
1090	National Bank of Brookville.....	Brookville, Pa.....	10,000	113	11,300.00
1092	First National Bank.....	Waterloo, Iowa.....	50,000	111	55,500.00
1098	J. W. Broughton.....	705 Rialto Building, Chicago, Ill.....	300	112.25	336.75
1099	Gertrude Smith.....	Carrollton, Ky.....	2,000	111	2,220.00
1100	Carrollton National Bank.....	do.....	5,000	111	5,550.00
1102	Wolfe & Sons.....	Danville, Ohio.....	2,000	112.7814	2,255.63
1106	Amesbury National Bank.....	Amesbury, Mass.....	10,000	111.125	11,112.50
1107	do.....	do.....	10,000	112.125	11,212.50
1109	First National Bank.....	Richmond, Me.....	2,500	112	2,800.00
1111	George H. Harris.....	2821 North Twelfth street, Philadelphia, Pa.....	2,000	112	2,240.00
1117	Royal Trust Co.....	Chicago, Ill.....	100	120	120.00
1140	J. V. Dawes.....	Cleveland, Ohio.....	2,000	111.5310	2,230.62
1146	First National Bank.....	Lewiston, Me.....	15,000	114.0506	17,107.59
1148	Granite Savings Bank and Trust Co.....	Barre, Vt.....	2,000	114.05	2,281.00
1151	F. H. Almstedt.....	Louisville, Ky.....	10,000	111	11,100.00

1169	Parke Bank.....	Rockville, Ind.....	5,000	112	5,600.00
1172	F. G. Farrell.....	Jacksonville, Ill.....	1,000	112	1,120.00
1174	First National Bank.....	Murphysboro, Ill.....	12,500	111.25	13,906.25
1179	Bangor Savings Bank.....	Bangor, Me.....	15,000	111.531	16,729.65
1180	do.....	do.....	20,000	112.7814	22,556.28
1184	W. T. Whitsett.....	Whitsett, Guilford County, N. C.....	500	119.3229	596.61
1185	Abel H. Proctor.....	Room 219, John Hancock Building, Boston, Mass.....	24,000	112	26,880.00
1191	Manufacturers' National Bank.....	Baltimore, Md.....	25,000	111.75	27,937.50
1194	F. P. McCormick.....	518 Massachusetts Building, Kansas City, Mo.....	15,000	112.10	16,815.00
1204	Minnie G. Levy.....	733 Madison avenue, New York.....	1,000	112.50	1,125.00
1210	Clinton National Bank.....	Clinton, Conn.....	5,000	112.88	5,644.00
1211	do.....	do.....	4,000	113.30	4,532.00
1217	William Krause.....	124 Dearborn avenue, Chicago, Ill.....	250	112	280.00
1220	First National Bank of Butte.....	Butte, Mont.....	25,000	111	27,750.00
1222	Chas. F. Miller.....	Cheyenne, Wyo.....	2,000	119.50	2,390.00
1235	First National Bank.....	Plymouth, Pa.....	15,000	111	16,650.00
1243	Farmers and Mechanics Savings Bank.....	Minneapolis, Minn.....	50,000	111.551	55,775.50
1244	National Bank of Newbury.....	Wells River, Vt.....	30,000	112	33,600.00
1244	do.....	do.....	20,000	111	22,200.00
1246	New First National Bank.....	Meadville, Pa.....	25,000	113	28,250.00
1249	National City Bank.....	Lynn, Mass.....	20,000	112	22,400.00
1251	J. H. D. Ridder.....	Saratoga Springs, N. Y.....	1,000	112	1,120.00
1252	Eliot National Bank.....	Boston, Mass.....	100,000	111	111,000.00
1255	John De Laittre.....	Minnesota Fire Insurance Co., Minneapolis, Minn.....	3,000	111	3,330.00
1261	Northern National Bank.....	Toledo, Ohio.....	25,000	111.50	27,875.00
1265	Lynn Safe Deposit and Trust Co.....	Lynn, Mass.....	25,000	111	27,750.00
1266	Lynn National Bank.....	do.....	25,000	111	27,750.00
1279	First National Bank.....	St. Augustine, Fla.....	25,000	112	28,000.00
1281	Union National Bank.....	Pittsburg, Pa.....	10,000	112.25	11,225.00
1282	do.....	do.....	20,000	112	22,400.00
1283	do.....	do.....	20,000	111	22,200.00
1298	Arthur M. Mundt.....	121 Franklin street, New York.....	1,000	112	1,120.00
1300	Equitable National Bank.....	Baltimore, Md.....	50,000	111	55,500.00
1315	Farmers and Mechanics' National Bank.....	Frederick, Md.....	10,000	112.7814	11,278.14
1319	Baxter National Bank.....	Rutland, Vt.....	20,000	112.7814	22,556.28
1326	German-American Savings Bank.....	Burlington, Iowa.....	15,000	114.0506	17,107.59
1328	Northern Trust Co.....	103 La Salle street, Chicago, Ill.....	100,000	111	111,000.00
1338	Horatio N. Slater.....	Webster, Mass.....	100,000	112.7814	112,781.40
1338	do.....	do.....	100,000	111.5310	111,531.00
1345	Robt. Glendinning & Co.....	400 Chestnut street, Philadelphia, Pa.....	100,000	111.50	111,500.00
1348	E. W. Cave.....	Houston, Tex.....	100	115	115.00
1351	First National Bank.....	Woodstown, N. J.....	3,000	119.3229	3,579.69
1357	John Dexter Locke.....	4 Lafayette square, Washington, D. C.....	200	112	224.00
1361	F. C. Moore.....	46 Cedar street, New York.....	5,000	113	5,650.00
1373	A. D. Ensign.....	6104 Woodlawn avenue, Chicago, Ill.....	90,000	110.77	99,693.00
1386	Charles Ahrenfeldt & Son.....	52 Murray street, New York.....	5,000	112	5,600.00
1417	Hecht Bros. & Co.....	215 Federal street, Boston, Mass.....	50,000	111	55,500.00
1418	First National Bank.....	Niles, Ohio.....	40,000	112.7815	45,112.60
1427	Frances L. Faris.....	Kansas City, Kans.....	500	112.25	561.25
1428	Mary E. Barker.....	do.....	5,000	112.25	5,612.50
1435	First National Bank.....	Belleville, Ill.....	10,000	112	11,200.00
1436	do.....	do.....	10,000	111	11,100.00

INVESTIGATION OF BOND SALES.

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
1443	New Orleans National Bank.....	New Orleans, La.....	\$100,000	114.0506	\$114,050.60
1444	Vermont National Bank.....	Brattleboro, Vt.....	5,000	111.25	5,562.50
1451	People's Trust Co.....	172 Montague street, Brooklyn, N. Y.....	100,000	112.7814	112,781.40
1457	Hibernia National Bank.....	New Orleans, La.....	50,000	111.5310	55,765.50
1470	Nevada Bank.....	San Francisco, Cal.....	200,000	115	230,000.00
1471	Nevada Bank of San Francisco.....	do.....	100,000	114	114,000.00
1471	do.....	do.....	100,000	113.25	113,250.00
1471	do.....	do.....	100,000	112.80	112,800.00
1474	H. W. Lamberton.....	Winona, Minn.....	30,000	111	33,300.00
1475	C. F. Akers.....	Orlando, Fla.....	150,000	113.125	169,687.50
1475	do.....	do.....	250,000	112.125	280,312.50
1491	E. Virginia Kennedy.....	2627 Decatur street, Omaha, Nebr.....	500	112	560.00
1493	Farmers' National Bank.....	Webster City, Iowa.....	12,500	110.85	13,856.25
1495	George A. Foster.....	487 West Lake street, Chicago, Ill.....	100	112	112.00
1497	Citizens' Bank of Juneau.....	Juneau, Wis.....	1,000	114.0506	1,140.51
1502	S. J. Curtis.....	125 West Twenty-first street, New York.....	1,000	111	1,110.00
1512	William B. Wright.....	Orwell, Vt.....	1,000	114	1,140.00
1520	Mrs. Dora Bearman.....	908 Edmond street, St. Joseph, Mo.....	10,000	112	11,200.00
1523	Abraham Baer.....	110 East Seventy-eighth street, New York.....	3,000	112	3,360.00
1538	Daniel M. Bonney.....	Farmington, Me.....	13,000	111	14,430.00
1553	John Blackmar.....	Columbus, Ga.....	5,000	115	5,750.00
1557	Henry Hubertus.....	Dansville, N. Y.....	500	112.50	562.50
1559	M. M. Green.....	127 Front street, New York.....	5,000	110.75	5,537.50
1570	First State Bank.....	Columbus, Miss.....	20,000	112	22,400.00
1577	H. C. Leistikow.....	Meadville, Pa.....	500	111.50	557.50
1583	Mrs. Florence J. Wheat.....	Putney, Vt.....	2,000	112	2,240.00
1595	A. Elizabeth Deppen.....	Meyerstown, Pa.....	50	114	57.00
1596	George H. Marsh.....	Mankato, Minn.....	10,000	116.70	11,670.00
1597	B. F. Beans.....	Elk Grove, Cal.....	2,500	113.50	2,837.50
1599	Lucius P. Barry.....	Saxtons River, Vt.....	300	113	339.00
1606	Fidelity Title and Deposit Co.....	Newark, N. J.....	55,000	111	61,050.00
1627	Drovers' and Mechanics' National Bank.....	Baltimore, Md.....	6,000	111	6,660.00
1674	National State Bank.....	Newark, N. J.....	25,000	111.60	27,900.00
1675	Leesburg and County State Bank.....	Leesburg, Fla.....	3,000	112	3,360.00
1677	First National Bank.....	Ipswich, Mass.....	2,000	111	2,220.00
1679	Brookline National Bank.....	Brookline, Mass.....	25,000	111	27,750.00
1681	First National Bank.....	Marengo, Iowa.....	12,500	111	13,875.00
1687	Eutaw Savings Bank.....	Baltimore, Md.....	100,000	111	111,000.00
1689	Doylestown National Bank.....	Doylestown, Pa.....	10,000	112	11,200.00
1690	do.....	do.....	10,000	111	11,100.00
1694	Agnes Scott.....	235 Pelham Road, Germantown, Pa.....	1,400	112	1,568.00
1710	Avery Horton.....	70 Howard avenue, Utica, N. Y.....	10,000	112	11,200.00
1718	H. S. Howe.....	The Bancroft, Washington, D. C.....	5,000	115	5,750.00
1732	First National Bank.....	West Point, Nebr.....	12,000	111	13,320.00
1733	Jenkintown National Bank.....	Jenkintown, Pa.....	10,000	112	11,200.00

1736	Baker-Boyer National Bank	Walla Walla, Wash.	50,000	113	56,500.00
1737	A. G. Verrinder	96 Broadway, New York	10,000	111.125	11,112.50
1770	National Bank of Republic	Washington, D. C.	3,000	111.50	3,345.00
1778	Shelburne Falls Savings Bank	Shelburne Falls, Mass.	10,000	111	11,100.00
1780	Shelburne Falls National Bank	do.	25,000	112	28,000.00
1786	H. A. Thompson Banking Co.	Salineville, Ohio	2,500	112.80	2,820.00
1789	George S. Sharp	do.	1,600	112	1,792.00
1790	Bell Sharp	do.	2,700	112	3,024.00
1791	W. P. Sharp	do.	1,800	112	2,016.00
1793	American Exchange Bank	St. Louis, Mo.	50,000	112.50	56,250.00
1794	do.	do.	50,000	112	56,000.00
1796	Nebraska National Bank	Omaha, Nebr.	25,000	110.75	27,687.50
1797	Ed. Murphy	do.	5,000	111	5,550.00
1798	J. S. Collins	do.	5,000	112	5,600.00
1799	Nettie W. Collins	do.	5,000	112	5,600.00
1800	Nebraska National Bank	do.	25,000	111.75	27,937.50
1811	Sutro & Co.	San Francisco, Cal.	50,000	111.66	55,830.00
1812	do.	do.	100,000	113.06	113,060.00
1813	do.	do.	100,000	114.13	114,130.00
1820	I. W. Taussig	111 Wall street, New York	1,000	112	1,120.00
1837	Theo. W. Myers & Co.	47 New street, New York	50,000	111	55,500.00
1846	Alonzo H. Evans	36 School street, Boston, Mass.	25,000	111.531	27,882.75
1849	National Bank of Commonwealth	Boston, Mass.	100,000	110.75	110,750.00
1849	do.	do.	100,000	111	111,000.00
1849	do.	do.	100,000	111.25	111,250.00
1850	First National Bank	do.	25,000	112	28,000.00
1851	Guilford Dudley	Topeka, Kans.	10,000	111.50	11,150.00
1852	Harry Finson	Giant, Cal.	500	112.20	561.00
1855	E. D. Robie	1331 Twenty-first street, Washington, D. C.	50	116	58.00
1860	Old Colony National Bank	Plymouth, Mass.	2,500	112	2,800.00
1861	do.	do.	25,000	111.50	27,875.00
1862	William T. Cunningham	Gloucester, Mass.	10,000	111.05	11,105.00
1863	Tower, Giddings & Co.	Boston, Mass.	5,000	111	5,550.00
1875	Merchants' National Bank	do.	100,000	111.60	111,600.00
1887	Hoskier, Wood & Co.	46 Exchange place, New York	62,000	111.16	68,919.20
1905	Farmers and Traders' Bank	Hillsboro, Ohio	20,000	111.50	22,300.00
1912	First National Bank	Danville, Pa.	25,000	111	27,750.00
1917	Western Travelers' Accident Association	Grand Island, Nebr.	1,000	111	1,110.00
1929	Quaker City National Bank	Philadelphia, Pa.	10,000	112.50	11,250.00
1933	Maria W. Andreas	1 Broadway, New York	12,000	113.15	13,578.00
1936	Quinsigamond National Bank	Worcester, Mass.	10,000	111	11,100.00
1939	Worcester Five Cents' Savings Bank	do.	15,000	111.50	16,725.00
1940	do.	do.	15,000	112.50	16,875.00
1945	Orrin E. Frazee	318 Bissell Block, Pittsburg, Pa.	1,600	111	1,776.00
1947	Edwin J. Remick	7 Water street, Room 509, Boston, Mass.	120,000	112.7814	135,337.68
1966	Union National Bank	Huntingdon, Pa.	50,000	111	55,500.00
1971	Central National Bank	Troy, N. Y.	50,000	111.05	55,525.00
1979	Karl Von Wagner	McKees Rocks, Pa.	200	111	222.00
1989	Milford National Bank	Milford, Mass.	25,000	112	28,000.00
2013	E. J. Barden	914 P street NW., Washington, D. C.	50	118	59.00
2015	Second National Bank	Allentown, Pa.	25,000	111.01	27,752.50
2015	do.	do.	25,000	111.54	27,885.00

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
2016	Mary E. Fleming	1320 F street, Washington, D. C.	\$1, 100	113	\$1, 243.00
2020	Kinsman National Bank	Kinsman, Ohio	12, 500	111.531	13, 941.38
2023	State Street Safe Deposit and Trust Co.	Boston, Mass.	25, 000	112	28, 000.00
2024	do	do	60, 000	111.25	66, 750.00
2027	J. Wendell P. Ome	48 Oxford street, Lynn, Mass.	1, 500	112	1, 680.00
2028	Medford Savings Bank	Medford, Mass.	25, 000	111	27, 750.00
2047	People's National Bank	Brattleboro, Vt.	5, 000	111.60	5, 530.00
2076	Erie County Savings Bank	Buffalo, N. Y.	250, 000	111	277, 500.00
2079	First National Bank	Winchendon, Mass.	34, 000	111.10	37, 774.00
2080	National Phenix Bank	Westerly, R. I.	20, 000	112	22, 400.00
2081	do	do	20, 000	111.50	22, 300.00
2082	do	do	20, 000	111	22, 200.00
2084	August W. Nitsch	111 East Fifty-fourth street, New York	100, 000	111.10	111, 100.00
2085	do	do	100, 000	112.10	112, 100.00
2088	Wm. Strachey	665 Lexington avenue, New York	100, 000	111.60	111, 600.00
2089	First National Bank	Wilkesburg, Pa.	10, 000	111.50	11, 150.00
2090	City National Bank	Springfield, Mass.	50, 000	112	56, 000.00
2091	The Society for Savings in the city of Cleveland	Cleveland, Ohio	75, 000	111.50	83, 625.00
2092	First National Bank	Allegheny, Pa.	2, 000	112.7814	2, 255.63
2093	Commercial Bank	Martins Ferry, Ohio	5, 000	112.50	5, 625.00
2096	National Union Bank	Monticello, N. Y.	25, 000	111	27, 750.00
2097	First National Bank	Salem, Mass.	25, 000	112	28, 000.00
2099	Wm. R. Holden	P. O. Box 73, Paterson, N. J.	20, 000	112.80	22, 560.00
2100	Dave D. Newman	210 Main street, Paterson, N. J.	20, 000	111.60	22, 320.00
2101	Jacob Harris	7 Water street, Boston, Mass.	100, 000	111.531	111, 531.00
2102	do	do	75, 000	113	84, 750.00
2106	Mary L. Prouty	Spencer, Mass.	5, 000	111.60	5, 580.00
2107	Alonzo P. Weeks	28 State street, Boston, Mass.	4, 000	112	4, 480.00
2107	do	do	2, 500	111.25	2, 781.25
2108	Wayne County Savings Bank	Honesdale, Pa.	20, 250	112	22, 680.00
2110	Henry R. Tracey	20 Montrose street, Roxbury, Mass.	3, 000	111.50	3, 345.00
2113	Rhode Island Hospital Trust Co.	Providence, R. I.	200, 000	111.54	223, 080.00
2114	do	do	300, 000	110.92	332, 760.00
2123	Springfield Safe Deposit and Trust Co.	Springfield, Mass.	20, 400	111	22, 644.00
2191	First National Bank	Allegheny, Pa.	50, 000	112.7814	56, 390.70
2206	W. R. Thompson & Co.	Pittsburg, Pa.	25, 000	112	28, 000.00
2221	Henry P. Murray	Worcester, Mass.	500	112	560.00
2226	Henry I. Dorr, M. D.	Cherry, above Seventeenth street, Philadelphia, Pa.	5, 000	111.5310	5, 576.55
2230	Pittsburg National Bank of Commerce	Pittsburg, Pa.	6, 000	114.05	6, 843.00
2236	A. P. Newton	Emlenton, Pa.	2, 000	112.50	2, 250.00
2237	First National Bank	New Kensington, Pa.	7, 500	112.50	8, 437.50
2238	do	do	10, 000	111	11, 100.00
2246	I. Bartlett Patten	Boston, Mass.	4, 000	112	4, 480.00
2271	First National Bank	Fresno, Cal.	10, 000	114.0506	11, 405.06
2272	do	do	10, 000	119.3229	11, 932.29

2283	Citizens' National Bank.....	Pottstown, Pa.....	5,000	111.5310	5,576.55
2284	do.....	do.....	5,000	112.7814	5,639.07
2293	Knoxville National Bank.....	Knoxville, Iowa.....	15,000	111	16,650.00
2297	T. J. Allison.....	Statesville, N. C.....	10,000	112	11,200.09
2298	Harry Finson.....	Giant, Cal.....	2,000	116.25	2,325.00
2299	The Lamprecht Bros. Co.....	Cleveland, Ohio.....	100,000	112.80	112,800.00
2300	do.....	do.....	100,000	112	112,000.00
2301	do.....	do.....	100,000	111.531	111,531.00
2310	Riggs & Co.....	Washington, D. C.....	100,000	112	112,000.00
2311	do.....	do.....	100,000	111	111,000.00
2312	do.....	do.....	100,000	111.0625	111,062.50
2313	George H. Carleton, administrator.....	44 Washington street, Haverhill, Mass.....	10,000	112	11,200.00
2314	do.....	do.....	5,000	111.50	5,575.00
2315	do.....	do.....	5,000	111	5,550.00
2316	do.....	do.....	5,000	110.75	5,537.50
2326	Bank of Ohio Valley.....	Wheeling, W. Va.....	9,000	114	10,260.00
2334	The National Branch Bank.....	Madison, Ind.....	25,000	111.5310	27,882.75
2345	Amos B. McNairy.....	Cleveland, Ohio.....	15,000	112.02	16,803.00
2352	First National Bank.....	Concord, N. H.....	20,000	111	22,200.00
2353	do.....	do.....	20,000	111.50	22,300.00
2354	do.....	do.....	20,000	112	22,400.00
2355	Merchants' National Bank.....	New Bedford, Mass.....	2,000	111.32	2,226.40
2355	do.....	do.....	5,000	111	5,550.00
2362	Portland Trust Co.....	Portland, Me.....	35,000	111.26	38,941.00
2370	Vineland National Bank.....	Vineland, N. J.....	7,000	111	7,770.00
2382	George Douglas Miller.....	125 State street, Albany, N. Y.....	4,000	111.01	4,440.40
2383	do.....	do.....	1,000	111.35	1,113.50
2402	First National Bank.....	Belleville, Ill.....	10,000	111	11,100.00
2403	do.....	do.....	10,000	112	11,200.00
2405	Charles L. Pack.....	Cleveland, Ohio.....	10,000	111.26	11,126.00
2406	William L. Shearer.....	48 Canal street, Boston, Mass.....	18,000	111	19,980.00
2409	Somerville National Bank.....	Somerville, Mass.....	5,000	110.75	5,537.50
2410	do.....	do.....	5,000	111	5,550.00
2411	do.....	do.....	5,000	111.25	5,562.50
2412	do.....	do.....	5,000	111.50	5,575.00
2413	do.....	do.....	5,000	111.75	5,587.50
2414	do.....	do.....	5,000	112	5,600.00
2422	National Bank of Commerce.....	Cleveland, Ohio.....	50,000	112	56,000.00
2430	Cape Ann National Bank.....	Gloucester, Mass.....	1,000	120	1,200.00
2431	do.....	do.....	1,000	114	1,140.00
2432	do.....	do.....	1,000	112	1,120.00
2436	Edward M. Adams.....	New Bedford, Mass.....	100	112	112.00
2438	William H. Pitman, trustee.....	do.....	12,000	111.02	13,322.40
2439	William D. Howland.....	do.....	4,000	112	4,480.00
2448	Second National Bank.....	Danville, Ill.....	25,000	111	27,750.00
2473	Natick National Bank.....	Natick, Mass.....	500	112	560.00
2477	do.....	do.....	30,500	111.12	33,891.60
2480	Susanne Williams.....	Middleport, Ohio.....	800	112	896.00
2481	First National Bank.....	Marietta, Ohio.....	25,000	111.5310	27,882.75
2484	Housatonic National Bank.....	Stockbridge, Mass.....	6,000	112	6,720.00
2491	Irving W. Pollard and Abraham White.....	North Cambridge, Mass.....	200,000	110.75	221,500.00
2499	A. White.....	15 State street, Boston, Mass.....	400,000	111.0050	444,020.00

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
2506	Provident Savings Bank.....	Baltimore, Md.....	\$20,000	111	\$22,200.00
2514	First National Bank.....	Shippensburg, Pa.....	5,000	112	5,600.00
2532	Allen H. Bennett.....	Beverly, Mass.....	5,000	111.75	5,587.50
2539	Montgomery County National Bank.....	Rockville, Md.....	10,000	111	11,100.00
2541	Merchants' National Bank.....	Portland, Me.....	50,000	111.60	55,800.00
2542	do.....	do.....	30,000	111	33,300.00
2545	Veazie National Bank.....	Bangor, Me.....	20,000	111.5310	22,306.20
2550	First National Bank.....	Wellston, Ohio.....	12,500	112.50	14,062.50
2551	do.....	do.....	12,500	111.50	13,937.50
2554	do.....	Portland, Me.....	50,000	111.05	55,525.00
2567	Woodbury & Moulton.....	do.....	8,000	111.25	8,900.00
2570	Fourth National Bank.....	Columbus, Ga.....	42,500	112.7814	47,932.10
2585	Kuhn, Loeb & Co.....	27 Pine street, New York.....	650,000	113	734,500.00
2586	do.....	do.....	650,000	112	728,000.00
2587	do.....	do.....	650,000	111.50	724,750.00
2588	do.....	do.....	650,000	111	721,500.00
2596	Henry M. Bancroft.....	118 West Twenty-first street, New York.....	75,000	111.0369	83,277.68
2597	James C. Ritchie.....	273 West One hundred and thirty-first street, New York.....	60,000	110.9159	66,549.54
2598	Allen Roswell Sheffer.....	23 Washington place, East Orange, N. J.....	100,000	110.7891	110,789.10
2601	Santa Rosa National Bank.....	Santa Rosa, Cal.....	30,000	111.5310	33,459.30
2642	German-American Bank.....	Baltimore, Md.....	10,000	111	11,100.00
2688	Kitchen & Co.....	New York.....	5,000	111.21	5,560.50
2688	do.....	do.....	5,000	111.15	5,557.50
2688	do.....	do.....	5,000	111.08	5,554.00
2688	do.....	do.....	5,000	111.01	5,550.50
2695	Provident Institution for Savings.....	Jersey City, N. J.....	50,000	110.80	55,400.00
2696	do.....	do.....	50,000	111.30	55,650.00
2697	do.....	do.....	50,000	111.80	55,900.00
2707	Merchants' National Bank.....	Richmond, Va.....	30,000	111.01	33,303.00
2708	do.....	do.....	30,000	111.51	33,453.00
2715	Van Emburg & Atterbury.....	2 Nassau street, New York.....	5,000	112.625	5,631.25
2729	Maitland, Phelps & Co.....	New York.....	125,000	111	138,750.00
2750	Adelbert B. Orcutt.....	Mechanicville, N. Y.....	15,000	111.125	16,668.75
2753	Mrs. Lerria T. Scarritt.....	27 Orange street, East Orange, N. J.....	25,000	111.55	27,887.50
2789	John A. Riley.....	Littleton, N. H.....	47,000	111.125	52,228.75
2802	Russak Bros. & Herzog.....	46 Exchange place, New York.....	25,000	111	27,750.00
2813	National Exchange Bank.....	Baltimore, Md.....	209,000	110.76	221,520.00
2823	Vermilye & Co.....	New York.....	10,000	111.75	11,175.00
2823	do.....	do.....	8,000	112	8,960.00
2825	Third National Bank.....	do.....	500,000	110.91	554,550.00
2826	do.....	do.....	500,000	110.71	553,550.00
2837	F. W. Barnes.....	207 West First street, Oswego, N. Y.....	500	114	570.00
2841	J. A. Satterwhite.....	New York.....	100	115	115.00
2849	Halifax Banking Co.....	Halifax, Nova Scotia.....	50,000	112.25	56,125.00
2858	J. W. Tomblin.....	Arapahoe, Nebr.....	50	114	57.00

2869	Northern National Bank.....	Lancaster, Pa.....	15,000	110.75	16,612.50
2886	William Frederick Sebert.....	353 Clinton street, Brooklyn, N. Y.....	12,000	111.15	13,338.00
2894	Valley National Bank.....	Des Moines, Iowa.....	5,000	111	5,550.00
2903	E. Beekman Underhill, jr.....	80 Broadway, New York.....	50	130.8749	65.44
2918	Harry A. Ensign.....	Englewood, N. J.....	100,000	111.03	111,030.00
2920	Saybrook Bank.....	Saybrook, Ill.....	1,000	112.25	1,122.50
2957	James W. Goodwin.....	Haverhill, Mass.....	5,000	111.50	5,575.00
2961	Keene National Bank.....	Keene, N. H.....	25,000	113	28,250.00
2962	do.....	do.....	20,000	112	22,400.00
2964	Citizens' Cooperative Bank.....	Haverhill, Mass.....	10,000	112	11,200.00
2966	James W. Goodwin.....	do.....	5,000	111	5,550.00
2971	First National Bank.....	Concord, N. H.....	10,000	112.50	11,250.00
2975	National Bank Western of Pennsylvania.....	Pittsburg, Pa.....	50,000	111.50	55,750.00
2982	International Trust Co.....	Boston, Mass.....	25,000	112.12	28,030.00
2983	do.....	do.....	150,000	112.02	168,030.00
2984	do.....	do.....	150,000	111.80	167,700.00
2985	do.....	do.....	150,000	111.01	166,515.00
3003	M. E. Moehler.....	148 West Ninety-fourth street, New York.....	200	111	222.00
3004	John F. Seely.....	18 New street, New York.....	500	111	555.00
3008	Nelson H. Henry.....	14 East Tenth street, New York.....	3,000	112	3,360.00
3017	C. Schumacher & Co.....	New York.....	25,000	111.80	27,950.00
3018	do.....	do.....	25,000	111.30	27,825.00
3019	do.....	do.....	50,000	111	55,500.00
3099	Latham, Alexander & Co.....	16 and 18 Wall street, New York.....	2,000	111	2,220.00
3101	Douglas & Jones.....	18 New street, New York.....	100	112.4	112.40
3129	John A. Donaldson.....	Fifth Avenue Hotel, New York.....	475,000	111.65	530,337.50
3140	Wachusett National Bank.....	Fitchburg, Mass.....	5,000	111.78	5,589.00
3146	Montpelier Savings Bank and Trust Co.....	Montpelier, Vt.....	5,000	111.84	5,592.00
3158	First National Bank.....	San Francisco, Cal.....	10,000	112.50	11,250.00
3159	do.....	do.....	10,000	112.125	11,212.50
3160	do.....	do.....	10,000	112.0625	11,206.25
3161	do.....	do.....	10,000	112	11,200.00
3162	do.....	do.....	10,000	111.75	11,175.00
3195	Augusta Safe Deposit and Trust Co.....	Augusta, Me.....	20,000	111.5310	22,306.20
3199	R. C. Dorsett.....	25 Pine street, New York.....	10,000	111.55	11,155.00
3204	Hambleton & Co.....	Baltimore, Md.....	1,000	111	1,110.00
3205	do.....	do.....	1,000	111.50	1,115.00
3205	do.....	do.....	1,000	112	1,120.00
3205	do.....	do.....	1,000	112.50	1,125.00
3206	do.....	do.....	1,000	112	1,125.00
3234	People's Savings and Loan Association.....	Cleveland, Ohio.....	25,000	111	27,750.00
3242	George Craine.....	329 West Twenty-third street, New York.....	640,000	112.16	717,824.00
3246	Kidder, Peabody & Co.....	Boston, Mass.....	30,000	111.06	33,318.00
3266	Davis Bros.....	718 Market street, San Francisco, Cal.....	10,000	111	11,100.00
3271	Merchants' National Bank.....	Richmond, Va.....	25,000	111	27,750.00
3278	First National Bank.....	Mattoon, Ill.....	12,500	114.50	14,312.50
3289	W. M. Dain & Co.....	Bath, Me.....	1,500	111	1,665.00
3295	New Hampshire Savings Bank.....	Concord, N. H.....	10,000	113.50	11,350.00
3311	Connecticut Savings Bank.....	New Haven, Conn.....	30,000	111	33,300.00
3314	Salvatore Cantoni.....	49 Wall street, New York.....	25,000	112.50	28,125.00
3324	National Park Bank.....	New York.....	10,000	112	11,200.00
3335	Isaac N. Walter.....	529 and 531 Market street, San Francisco, Cal.....	25,000	111	27,750.00
3336	David N. Walter.....	San Francisco, Cal.....	25,000	111.50	27,875.00

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
3345	Joseph H. Lee.....	3236 K street NW., Washington, D. C.....	\$5,000	112.05	\$5,602.50
3362	State of California.....	Sacramento, Cal.....	50,000	112	56,000.00
3402	A. R. Pick & Co.....	29 Broad street, New York.....	10,000	111.13	11,113.00
3403	do.....	do.....	10,000	111.01	11,101.00
3412	J. S. Bache & Co.....	47 Exchange Place, New York.....	45,000	111	49,950.00
3409	Knauth, Nachod & Kuhne.....	13 William street, New York.....	25,000	111.10	27,775.00
3420	H. P. Goldschmidt & Co.....	P. O. box 2491, New York.....	40,000	111.53	44,612.00
3421	H. P. Goldschmidt.....	53 Exchange Place, New York.....	50,000	111.03	55,515.00
3429	Kidder, Peabody & Co.....	Boston, Mass.....	8,000	111.55	8,924.00
3432	do.....	do.....	20,000	112.26	22,452.00
3440	do.....	do.....	2,000	111	2,220.00
3448	Valley National Bank.....	Chambersburg, Pa.....	10,000	111.5310	11,153.10
3449	do.....	do.....	10,000	112.7814	11,278.14
3492	T. A. Swords.....	129 Perkins street, East Somerville, Mass.....	25,000	111.05	27,762.50
3495	Wm. E. Rice.....	41 Elm street, Worcester, Mass.....	30,000	112	33,600.00
3496	Laidlaw & Co.....	14 Wall street, New York.....	10,000	110.965	11,096.50
3498	do.....	do.....	10,000	111.531	11,153.10
3499	W. J. Hayes & Sons.....	Cleveland, Ohio.....	30,000	111.05	33,315.00
3528	Hancock National Bank, account of Mills & Blanchard.....	Boston, Mass.....	75,000	111	83,250.00
3553	Laidlaw & Co.....	14 Wall street, New York.....	20,000	110.75	22,150.00
3569	Half Dime Savings Bank.....	Orange, N. J.....	50,000	112	56,000.00
3577	F. Stanley Knox.....	170 Dearborn street, Chicago, Ill.....	100,000	112.50	112,500.00
3579	Warren Savings Bank Co.....	Warren, Ohio.....	1,200	114	1,368.00
3581	C. S. Eaglesfield.....	1014 College avenue, Indianapolis, Ind.....	120,000	111	133,200.00
3586	J. M. Freeman.....	Box 296, Hinsdale, N. H.....	100,000	114	114,000.00
3596	Blair & Co.....	33 Wall street, New York.....	250,000	111.03	277,575.00
3597	do.....	do.....	250,000	111.27	278,175.00
3598	do.....	do.....	150,000	111.55	167,325.00
3599	do.....	do.....	350,000	111.81	391,335.00
3603	Boatmen's Bank.....	St. Louis, Mo.....	2,500	112	2,800.00
3624	Lehman Bros.....	16 William street, New York.....	125,000	111	138,750.00
3643	I. & S. Wormser.....	15 Broad street, New York.....	300,000	112.03	336,090.00
3644	Drovers and Mechanics' National Bank.....	Baltimore, Md.....	11,000	111	12,210.00
3656	American National Bank.....	Findlay, Ohio.....	5,000	113	5,650.00
3656	do.....	do.....	1,000	119.3229	1,193.23
3659	Cheshire National Bank.....	Keene, N. H.....	10,000	112	11,200.00
3665	I. & S. Wormser.....	15 Broad street, New York.....	300,000	111.50	334,500.00
3676	Minnie Keenan.....	362 Sixth avenue, New York.....	1,000	114	1,140.00
3681	R. C. Pentland.....	133 East Forty-sixth street, New York.....	60,000	113	67,800.00
3699	Peoples National Bank.....	Leesburg, Va.....	12,500	112	14,000.00
3710	Hancock National Bank.....	Boston, Mass.....	79,500	111	88,245.00
3711	do.....	do.....	73,050	111.50	81,450.75
3712	do.....	do.....	100,800	112	112,896.00
3713	do.....	do.....	51,000	112.50	57,375.00
3714	do.....	do.....	17,250	112.7814	19,454.79

3715	do	do	do	15,000	113	16,950.00
3716	do	do	do	10,000	113.50	11,350.00
3717	do	do	do	6,400	114	7,296.00
3718	do	do	do	25,000	114.1010	28,525.25
3719	do	do	do	1,000	120	1,200.00
3737	George Nebeker	do	Southeast corner Tenth and Oxford, Philadelphia, Pa	100,000	111	111,000.00
3737	do	do	do	100,000	112	112,000.00
3738	Second National bank	do	Haverhill, Mass	10,000	111	11,100.00
3739	Woodbury & Moulton	do	Portland, Me	80,000	111.25	89,000.00
3742	John E. Gale	do	Haverhill, Mass	5,000	111.13	5,556.50
3771	Northwestern National Bank	do	Philadelphia, Pa	100,000	111	111,000.00
3778	Iron National Bank	do	Plattsburg, N. Y	25,000	111	27,750.00
3781	Allegheny National Bank	do	Pittsburg, Pa	100,000	111	111,000.00
3788	Beacon Trust Co.	do	89 State street, Boston, Mass	5,000	110.875	5,543.75
3798	Cesare Conti	do	35 Broadway, New York	20,000	111	22,200.00
3807	J. H. Stutz	do	9 Wall street, New York	300	112	336.00
3812	Shoe and Leather National Bank	do	Boston, Mass	25,000	110.75	27,687.50
3813	do	do	do	100,000	111.05	111,050.00
3821	Citizens National Bank	do	Frederick, Md	10,000	111	11,100.00
3822	do	do	do	10,000	112	11,200.00
3824	Citizens National Bank	do	Zanesville, Ohio	50,000	111.125	55,562.50
3825	do	do	do	50,000	112.125	56,062.50
3840	Columbia National Bank	do	Washington, D. C	30,000	111.50	33,450.00
3844	George Obermyer	do	45 Harrison street, New York	1,000	111	1,110.00
3846	Beacon Trust Co.	do	89 State street, Boston, Mass	5,000	111.125	5,556.25
3858	Moran Brothers	do	68 William street, New York	10,000	111.55	11,155.00
3859	do	do	do	20,000	111.05	22,210.00
3868	William M. Kern	do	2835 Fifth avenue, New York	10,000	111.05	11,105.00
3890	Charles F. Figge	do	859 President street, Brooklyn, N. Y	500	111.5310	557.65
3917	Mercantile National Bank	do	New York	250,000	111	277,500.00
3918	do	do	do	30,000	111.55	33,465.00
3919	do	do	do	167,000	112	187,040.00
3920	do	do	do	83,000	113	93,790.00
3929	Kansas National Bank, Wichita, Kans., by First National Bank	do	do	5,000	111.53	5,576.50
3930	Kountze Bros	do	120 Broad street, New York	50,000	111	55,500.00
3950	Herman Heidelberg	do	New York	25,000	111.5310	27,882.75
3965	H. F. Barrows	do	North Attleborough, Mass	10,000	111	11,100.00
3970	Hogue Bros. & Co.	do	Scio, Ohio	5,000	111.25	5,562.50
3972	Cahoone & Wescott	do	18 Wall street, New York	50,000	112.10	56,050.00
3972	do	do	do	50,000	111.70	55,850.00
3973	Seaboard National Bank	do	New York	1,000	111.25	1,112.50
3982	do	do	do	5,000	111	5,550.00
3984	do	do	do	5,000	111	5,550.00
3986	do	do	do	10,000	112	11,200.00
3989	J. and W. Seligman & Co.	do	21 Broad street, New York	250,000	111.56	278,900.00
3990	do	do	do	250,000	111.56	278,900.00
3991	do	do	do	500,000	111.06	555,300.00
3992	do	do	do	750,000	110.77	830,775.00
4004	Jos. M. Shoemaker & Co.	do	112 Drexel building, Philadelphia, Pa	12,000	111.02	13,322.40
4005	San Jose Safe Deposit Bank of Savings	do	San Jose, Cal.	200,000	111.50	223,000.00
4006	Bank of San Jose	do	do	56,000	111	62,160.00
4008	Shelburne Falls Savings Bank	do	Shelburne Falls, Mass	5,000	112.125	5,606.25

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
4011	Quinsigamond National Bank.....	Worcester, Mass.....	\$500	111	\$555.00
4014	Whitehouse & Co.....	25 Broad street, New York.....	100,000	111	111,000.00
4025	George B. Humphrey.....	Churubusco, N. Y.....	10,000	114.0506	11,405.06
4027	Lynn Five Cents Savings Bank.....	Lynn, Mass.....	25,000	111	27,750.00
4028	do.....	do.....	25,000	112	28,000.00
4030	Hugh Mullen.....	6 Ware street, Dorchester, Mass.....	700	113	791.00
4047	First National Bank.....	Westminster, Md.....	10,000	112	11,200.00
4048	do.....	do.....	40,000	111.125	44,450.00
4050	Second National Bank.....	Boston, Mass.....	10,000	111	11,100.00
4058	Indiana National Bank.....	Indianapolis, Ind.....	100,000	111.06	111,060.00
4060	Merchants' National Bank.....	do.....	100,000	111.06	111,060.00
4062	Investment Corporation.....	15 Broad street, New York.....	500,000	110.6979	553,489.50
4064	do.....	do.....	500,000	110.8299	554,149.50
4066	do.....	do.....	500,000	110.9359	554,679.50
4067	do.....	do.....	500,000	111.1569	555,784.50
4069	E. H. Rollins & Sons.....	53 State street, Boston, Mass.....	100,000	110.76	110,760.00
4085	First National Bank.....	West Newton, Mass.....	10,000	111	11,100.00
4086	National Bank of Battle Creek.....	Battle Creek, Mich.....	10,000	111	11,100.00
4099	Redmond, Kerr & Co., agents.....	New York.....	300	111	333.00
4100	do.....	do.....	300	111.50	334.50
4101	do.....	do.....	300	112	336.00
4108	do.....	do.....	1,000	111.5310	1,115.31
4128	Crane, Parris & Co.....	1344 F street, Washington, D. C.....	25,000	110.875	27,718.75
4131	Speyer & Co.....	11 Broad street, New York.....	1,500,000	110.726	1,660,890.00
4132	do.....	do.....	2,300,000	111.051	2,554,173.00
4133	do.....	do.....	1,000,000	111.051	1,110,510.00
4134	do.....	do.....	800,000	112.037	896,296.00
4138	Corson & Macartney.....	Washington, D. C.....	200,000	110.8125	221,625.00
4140	do.....	do.....	200,000	111.0625	222,125.00
4156	R. L. Day & Co.....	Boston, Mass.....	40,000	111.55	44,620.00
4157	do.....	do.....	50,000	112.51	56,255.00
4158	do.....	do.....	25,000	112.31	28,077.50
4159	do.....	do.....	50,000	112.13	56,065.00
4160	do.....	do.....	50,000	111.55	55,775.00
4161	do.....	do.....	50,000	111.13	55,565.00
4171	do.....	do.....	55,800	112.31	62,668.98
4172	do.....	do.....	10,000	112.25	11,225.00
4173	do.....	do.....	80,000	112.13	89,704.00
4174	do.....	do.....	15,000	112.05	16,807.50
4176	do.....	do.....	113,000	111.73	126,254.90
4177	do.....	do.....	35,000	111.31	38,958.50
4178	do.....	do.....	25,000	111.25	27,812.50
4179	do.....	do.....	108,000	111.13	120,020.40
4180	do.....	do.....	43,000	111.05	47,751.50
4181	do.....	do.....	29,000	111	32,190.00

4200	The New York Life Insurance Co.	New York	5,000,000	111	5,550,000.00
4201	The Manufacturers' Trust Co.	Brooklyn, N. Y.	100,000	112	112,000.00
4202	do	do	100,000	111.5310	111,531.00
4203	do	do	100,000	111.25	111,250.00
4208	M. Erdman, trustee	New York	10,000	110.77	11,077.00
4209	do	Mills Building, New York	10,000	111.02	11,102.00
4210	do	do	10,000	111.27	11,127.00
4221	National Union Bank	New York	300,000	111.50	334,500.00
4222	Joseph Pulitzer, notify American Exchange National Bank	do	1,000,000	114	1,140,000.00
4223	Kings County Trust Co.	Brooklyn, N. Y.	210,000	111.50	234,150.00
4232	Hanover National Bank	New York	1,000,000	110.755	1,107,550.00
4233	do	do	1,000,000	110.877	1,108,770.00
4234	do	do	2,000,000	111.02	2,220,400.00
4235	do	do	1,000,000	111.17	1,111,700.00
4237	Blair & Co.	33 Wall street, New York	100,000	112.27	112,270.00
4238	Corson & McCartney	Washington, D. C.	50,000	111.50	55,750.00
4285	J. F. Williams	Exchange Building, Boston, Mass	10,000	111.10	11,110.00
4286	do	do	10,000	111.70	11,170.00
4287	do	do	10,000	112.10	11,210.00
4448	Kidder, Peabody & Co.	Boston, Mass.	500,000	112.21	561,050.00
4449	do	do	1,000,000	111.23	1,112,300.00
4450	do	do	2,000,000	110.69	2,213,800.00
4453	Kountze Bros. & Co., by Lewis Johnson & Co.	do	100,000	111.25	111,250.00
4454	A. W. Wood	Washington, D. C.	6,000	111	6,660.00
4455	F. S. Moseley & Co.	70 State street, Boston, Mass.	500,000	111.357	556,785.00
4456	Third National Bank	35 Congress street, Boston, Mass.	50,000	110.81	55,405.00
4463	W. B. Hibbs & Co.	Boston, Mass.	250,000	111.615	277,537.50
4464	do	Washington, D. C.	250,000	110.76	276,900.00
4466	Manufacturers' Trust Co.	do	60,000	112.10	67,260.00
4468	Blair & Co.	Brooklyn, N. Y.	300,000	111.79	335,370.00
4473	Baring, Magoun & Co.	33 Wall street, New York	100,000	110.76	110,760.00
4480	American Exchange National Bank	New York	500,000	111	555,000.00
4481	J. P. Morgan and associates	do	37,915,850	110.6877	41,968,182.30
4504	Goldman, Sachs & Co.	9 Pine street, New York	125,000	110.875	138,593.75
4507	N. W. Harris & Co.	15 Wall street, New York	200,000	110.92	221,840.00
4508	do	do	200,000	111.17	222,340.00
4509	do	do	200,000	111.42	222,840.00
4510	do	do	200,000	111.67	223,340.00
4511	do	do	200,000	111.92	223,840.00
4512	do	do	150,000	112.17	168,255.00
4513	do	do	150,000	112.42	168,630.00
4514	do	do	150,000	112.67	169,005.00
4515	do	do	100,000	112.79	112,790.00
4516	Dent, Palmer & Co., of London	do	250,000	111.47	278,675.00
4517	Waukesha National Bank	Waukesha, Wis.	75,000	111.11	83,332.50
4536	Petersburg Savings and Insurance Co.	Petersburg, Va.	5,000	111.10	5,555.00
4536	do	do	5,000	112.10	5,605.00
4536	do	do	5,000	113.10	5,655.00
4537	Wisconsin National Bank	Milwaukee, Wis.	50,000	113	56,500.00
4539	Lazard Frères	10 Wall street, New York	1,000,000	110.70	1,107,000.00
4540	do	do	1,000,000	111.29	1,112,900.00
4541	do	do	1,000,000	111.55	1,115,500.00

TABLE NO. 3.—ACCEPTED BIDS FOR 4 PER CENT LOAN OF 1925—Continued.

No.	Subscriber.	Residence.	Amount of bonds.	Price.	Proceeds.
4542	Lazard Frères	10 Wall street, New York.....	\$1,500,000	111.70	\$1,675,500.00
4543	do.....	do.....	25,000	111.75	27,937.50
4544	do.....	do.....	25,000	111	27,750.00
4559	Hanover National Bank, for First National Bank, Lincoln, Ill.	New York.....	10,000	111.50	11,150.00
4560	do.....	do.....	10,000	112.50	11,250.00
4564	Hanover National Bank, account First National Exchange Bank of Port Huron, Mich.	do.....	100,000	111.625	111,625.00
4572	Gray & Russell.....	Greene, N. Y.....	5,000	114.50	5,725.00
4580	Joseph F. Wiggin	Room 55, 28 State street, Boston, Mass	3,000	111.50	3,345.00
4580	do.....	do.....	3,000	111	3,330.00
4586	Shelburne Falls National Bank.....	Shelburne Falls, Mass.....	12,500	112.50	14,062.50
4593	Cora Theresa White.....	417 Columbus avenue, Boston, Mass	500,000	111.5311	557,655.50
4603	Curtis & Motley.....	53 State street, Boston, Mass	3,000	111	3,330.00
4607	J. Peavy & Bros.....	38 Summer street, Boston, Mass	50,000	112	56,000.00
4609	First National Bank.....	Cambridge, Mass	20,000	111.55	22,310.00
	Total .....	.....	100,000,000	.....	111,166,232.65

NOTE.—This list of accepted bidders does not include the bids of the following persons who failed to make the first payment of 20 per cent on or before February 15, 1896, as instructed in Department notification of acceptance:

No.	Subscriber.	Residence.	Amount of bonds.	Price.
19	John L. Farwell, jr.....	Claremont, N. H.....	\$100	120
25	W. F. Decker.....	913 Guaranty Loan building, Minneapolis, Minn	500	114.286
499	Ralph Wise	Otsego, Mich	750	115.67
581	John M. Gallaway	Madison, N. C.....	300	114
601	George F. Pepper.....	Philadelphia, Pa.....	300	120
1795	Rufus R. Humphrey.....	Churubusco, N. Y	10,000	119.3229
2773	Wm. Graves and associates	Mills Building, New York.....	4,500,000	115.3391
3259	C. L. Riker	Newburg, N. Y.....	50	117.02
3576	Charles Overall.....	Room 29, Portland block, Chicago, Ill	110,000	112
3611	Peter Schmidt.....	Care of Chas. P. Willard & Co., 197 South Canal street, Chicago, Ill.....	115,000	111.50
	Total .....	.....	4,737,000	.....

TABLE No. 4.
BIDS AT EACH PRICE BELOW 110.6877.

Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.
100	\$596,700	104.51	\$500,000	106.10	\$535,000	107.01	\$3,000,000	107.77	\$25,000	108.31	\$300,000
100.03	2,560,000	104.75	187,000	106.11	100,000	107.005	10,000	107.78	50,000	108.3125	100,000
100.06	1,000	104.76	150,000	106.12	50,000	107.03	1,170,000	107.80	2,000	108.32	100,000
100.10	400	104.80	20,000	106.125	1,380,000	107.032	35,000	107.81	500,000	108.33	250,000
100.50	15,000	104.83	100,000	106.127	1,500,000	107.04	10,000	107.85	25,000	108.333	300
100.75	5,000	104.90	200	106.15	120,000	107.05	725,000	107.87	125,000	108.35	130,000
101	166,200	105	3,475,300	106.159	1,000,000	107.0625	50,000	107.875	161,000	108.375	306,000
101.02	1,280,000	105.002	50,000	106.17	6,000,000	107.09	50,000	107.89	818,950	108.38	205,000
101.0778	40,000	105.01	700,000	106.20	45,000	107.10	3,436,000	107.90	838,500	108.40	10,000
101.078	25,000	105.10	85,000	106.25	1,537,000	107.11	50,000	107.91	25,000	108.408	10,000
101.10	2,400	105.106	25,000	106.26	630,000	107.12	10,000	107.92	100,000	108.45	20,000
101.50	250,500	105.125	10,000	106.30	50,000	107.125	1,606,000	108	14,310,450	108.48	10,500
101.75	5,000	105.127	1,000,000	106.32	100,000	107.127	1,750,000	108.01	1,555,300	108.4878	50,000
102	128,100	105.15	250,000	106.35	100,000	107.13	100,000	108.02	25,000	108.50	6,285,750
102.125	640,000	105.25	1,804,200	106.375	1,500,000	107.15	10,000	108.03	790,000	108.51	1,207,300
102.172	45,000	105.26	50,000	106.40	20,000	107.151	50,000	108.04	110,000	108.52	106,000
102.18	50,000	105.32	100,000	106.50	2,038,550	107.20	25,000	108.05	435,000	108.53	800,000
102.40	200	105.50	909,900	106.51	101,000	107.22	8,000	108.06	305,000	108.55	7,000
102.50	1,200,000	105.55	74,100	106.53	1,000,000	107.25	3,480,000	108.0625	500	108.57	155,000
102.75	5,000	105.5516	256,000	106.55	102,000	107.26	360,500	108.07	975,000	108.5761	100,000
103	137,600	105.5517	50,000	106.56	20,000	107.375	261,000	108.08	500	108.58	150,000
103.15	50,000	105.552	50,000	106.60	25,000	107.39	5,000	108.10	2,832,500	108.60	1,189,500
103.1875	30,000	105.56	535,000	106.625	1,152,000	107.40	25,100	108.106	25,000	108.61	59,000
103.25	320,500	105.561	50,000	106.65	151,000	107.45	200,000	108.11	100,000	108.625	384,150
103.2816	11,500	105.60	60,000	106.67	150,000	107.48	25,000	108.12	100,000	108.63	50,000
103.29	50,000	105.61	100,000	106.70	225,000	107.50	5,656,950	108.125	1,524,000	108.64	10,000
103.3125	2,000	105.625	50,000	106.7021	25,000	107.51	2,280,300	108.127	450,000	108.65	150,000
103.375	400	105.63	100,000	106.712	50,000	107.52	200,000	108.13	140,000	108.66	100,000
103.4375	40,500	105.65	50,000	106.7121	465,000	107.53	750,000	108.14	125,000	108.68	350,000
103.50	127,500	105.75	206,000	106.72	630,000	107.55	360,000	108.15	120,000	108.70	100,000
103.51	500,000	105.76	1,000	106.73	100,000	107.56	20,000	108.16	10,000	108.725	10,000
103.625	100,000	105.77	5,000	106.75	2,618,850	107.58	100,000	108.18	50,000	108.75	1,461,000
103.75	15,350	105.78	100,000	106.76	1,000	107.59375	100,000	108.1875	50,000	108.76	50,000
104	454,150	105.875	175,000	106.78	100,000	107.60	160,000	108.19	1,525,000	108.7626	10,000
104.01	50,000	105.89	100,000	106.80	812,000	107.61	50,000	108.20	100,100	108.77	200,000
104.05	50,000	105.95	50,000	106.82	31,000	107.625	358,000	108.21	300,000	108.81	5,000
104.40	45,000	105.99	500,000	106.85	100,000	107.66	250,000	108.22	100,000	108.82	125,000
104.4082	225,100	106	7,637,550	106.859375	100,000	107.70	35,000	108.25	2,743,100	108.83	50,000
104.409	50,000	106.01	10,000	106.87	157,000	107.7121	10,000	108.26	915,250	108.85	319,000
104.41	193,300	106.05	200,000	106.875	125,000	107.725	10,000	108.27	645,000	108.875	5,000
104.437	32,000	106.06	100	106.90	210,000	107.75	3,182,000	108.28	100,000	108.9144	25,000
104.50	222,600	106.07	25,000	107	7,142,250	107.76	255,000	108.30	50,000	109	14,506,300

TABLE No. 5.

BIDS AT EACH PRICE FROM 110.6877 UPWARD.

Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.	Price.	Amount.
110.6877	\$100,000,000	111.005	\$401,000	111.30	\$75,000	111.76	\$40,000	112.27	\$100,000	114.05	\$58,000
110.69	2,000,000	111.01	270,000	111.31	35,000	111.78	5,000	112.31	80,800	114.0506	161,500
110.6979	500,000	111.015	250,000	111.32	2,000	111.79	300,000	112.40	100	114.1010	25,000
110.70	1,000,000	111.02	2,048,000	111.35	1,000	111.80	245,000	112.42	150,000	114.13	100,000
110.71	500,000	111.03	400,000	111.357	500,000	111.81	350,000	112.50	533,950	114.286	500
110.726	1,500,000	111.0369	75,000	111.42	200,000	111.84	5,000	112.51	50,000	114.50	17,500
110.75	600,000	111.04	30,000	111.47	250,000	111.92	200,000	112.625	5,000	115	229,400
110.755	1,000,000	111.05	390,000	111.50	2,746,650	112	3,406,700	112.67	150,000	115.3391	30,000
110.76	670,000	111.051	3,300,000	111.51	130,000	112.001	1,000	112.75	540,000	115.67	3,750
110.77	850,000	111.06	730,000	111.53	145,000	112.006	500	112.78	100,000	116	3,750
110.7891	100,000	111.0625	300,000	111.531	936,400	112.02	165,000	112.7814	559,150	116.25	2,000
110.80	50,000	111.08	5,000	111.5311	500,000	112.03	325,000	112.7815	40,000	116.625	30,000
110.81	50,000	111.10	224,000	111.532	50,000	112.037	800,000	112.79	100,000	116.6471	27,800
110.8125	200,000	111.11	75,000	111.534	100,000	112.05	21,000	112.80	322,500	116.70	10,000
110.82	100,000	111.12	30,500	111.54	225,000	112.0625	10,000	112.88	5,000	117	3,300
110.8299	500,000	111.125	237,000	111.55	1,343,000	112.07	100	113	1,105,800	117.02	50
110.84	100,000	111.13	173,000	111.551	50,000	112.10	280,000	113.05	1,000	118	5,050
110.85	12,500	111.15	17,000	111.56	500,000	112.12	25,000	113.06	100,000	119.3229	28,700
110.875	255,000	111.1569	500,000	111.57	27,000	112.125	335,000	113.10	5,000	119.3329	250
110.877	1,000,000	111.16	62,000	111.60	305,000	112.13	130,000	113.125	150,000	119.50	2,000
110.91	500,000	111.17	1,200,000	111.625	150,000	112.16	640,000	113.15	12,000	120	2,950
110.9159	60,000	111.21	5,000	111.65	475,000	112.17	150,000	113.25	105,000	121	50
110.92	500,000	111.23	1,000,000	111.66	50,000	112.1875	25,000	113.30	4,000	125	50
110.9359	500,000	111.25	679,000	111.67	200,000	112.20	500	113.50	32,500	130.8749	50
110.965	10,000	111.26	45,000	111.70	1,560,000	112.21	500,000	113.75	500,350	150	50
111	10,397,400	111.27	260,000	111.73	113,000	112.25	106,000	113.89	100		
111.001	2,000	111.29	1,000,000	111.75	106,000	112.26	20,000	114	1,305,950		162,321,150

INVITING PROPOSALS FOR FOUR PER CENT BONDS.

[1896. Department Circular No. 3. Division of Loans and Currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 6, 1896.

Notice is hereby given that sealed proposals will be received at the office of the Secretary of the Treasury, at Washington, D. C., until 12 o'clock, m., on Wednesday, the 5th day of February, 1896, for the purchase of one hundred million dollars (\$100,000,000) of United States four per cent coupon or registered bonds, in denominations of fifty dollars (\$50) and multiples of that sum, as may be desired by bidders.

The right to reject any or all bids is reserved.

The bonds will be dated on the first day of February, 1895, and be payable in coin thirty years after that date, and will bear interest at four per centum per annum, payable quarterly, in coin, but all coupons maturing on and before the first day of February, 1896, will be detached, and purchasers will be required to pay in United States gold coin or gold certificates, for the bonds awarded to them, and all interest accrued thereon after the first day of February, 1896, up to the time of payment for the bonds.

Payments for the bonds must be made at the Treasury of the United States at Washington, D. C., or at the United States subtreasuries at New York, Boston, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, and New Orleans, and they may be made at San Francisco with exchange on New York, and all bids must state what denominations of bonds are desired, and whether coupon or registered, and at what place they will be paid for.

Payments may be made by installments as follows: Twenty per cent (20 per cent) and accrued interest upon receipt of notice of acceptance of bids and twenty per cent (20 per cent) and accrued interest at the end of each ten days thereafter; but all accepted bidders may pay the whole amount at the date of the first installment, and those who have paid all installments previously maturing may pay the whole amount of their bids at any time, not later than the maturity of the last installment.

The bonds will be ready for delivery on or before the fifteenth day of February, 1896.

Notice is further hereby given that if the issue and sale of an additional or different form of bond for the maintenance of the gold reserve shall be authorized by law before the fifth day of February, 1896, sealed proposals for the purchase of such bonds will also be received at the same time and place, and up to the same date, and upon the same terms and conditions herein set forth, and such bids will be considered as well as the bids for the four per cent bonds herein mentioned.

J. G. CARLISLE,
Secretary of the Treasury.

Mark envelope: "Proposal for four per cent bonds."

SUBSCRIPTIONS TO FOUR PER CENT BONDS.

[1896. Department Circular No. 6. Division of Loans and Currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 9, 1896.

In subscribing for the new four per cent bonds under the circular of January 6, 1896, the annexed form should be followed. The blank may be detached, filled up, and addressed to the Secretary of the Treasury. The subscriber should state plainly the amount of bonds desired, the price which he proposes to pay, and the place where the bonds should be delivered, which may be the subscriber's home or any other more convenient place. He should at the same time state whether he desires to deposit the amount of his subscription at the Treasury Department, in the city of Washington, or at one of the following subtreasuries, viz: New York, Boston, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, New Orleans, or San Francisco. Deposits at San Francisco must be with exchange on New York.

The bonds will be issued in the following denominations, viz: Coupon bonds, \$50, \$100, \$500, and \$1,000; registered bonds, \$50, \$100, \$500, \$1,000, \$5,000, and \$10,000.

Subscribers should, if practicable, state in their proposals the denominations of the bonds desired and whether they should be coupon or registered; but if at the time of offering the subscription the kind and denomination of the bonds desired can not be stated, the subscriber may defer giving that information until he is notified that his proposal is accepted.

Gold certificates will be received the same as gold coin in payment of subscriptions, but no payment should be made by any subscriber until he has been notified by the Secretary that his subscription has been accepted.

Additional copies of the annexed form of proposals may be had upon application to the Secretary of the Treasury.

J. G. CARLISLE,
Secretary of the Treasury.

Envelopes should be plainly marked: "Proposals for four per cent bonds."

I hereby propose, under the terms of your circular of January 6, 1896, to purchase United States four per cent thirty-year bonds described in said circular, of the face value of _____ dollars, and I agree to pay therefor at the rate of _____ and accrued interest per \$100. I further agree, upon due notice of the acceptance of this subscription, to deposit the amount thereof in gold coin or gold certificates with the United States assistant treasurer at _____ in accordance with the terms of said circular.

I desire (registered or coupon) bonds, in denominations as stated below, and I wish them to be delivered to me at _____.

To the SECRETARY OF THE TREASURY.

COUPON.		REGISTERED.	
50	\$	50	\$
100	\$	100	\$
500	\$	500	\$
1,000	\$	1,000	\$
		5,000	\$
		10,000	\$

ADDITIONAL CIRCULAR.

SUBSCRIPTION TO FOUR PER CENT BONDS.

[1896. Department Circular No. 12. Division of Loans and Currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 15, 1896.

Treasury circular (No. 3, 1896), dated January 6, 1896, inviting proposals for the purchase of one hundred million dollars (\$100,000,000) of United States four per cent bonds is hereby so modified that, after the payment of the first installment of twenty per cent with accrued interest, as required in said circular, the remainder of the amounts bid may be paid in installments of ten per cent (10 per cent) each and accrued interest, at the end of each fifteen days thereafter; but all accepted bidders may pay the whole amount of their bids at the time of the first installment, and all accepted bidders who have paid all installments previously maturing may pay the whole amount of their bids at any time not later than the maturity of the last installment.

Accepted bidders who pay the whole amount at the time of the first installment, or at any date thereafter, as above provided, will be entitled to receive, at the date of the payment, the whole amount of bonds awarded to them, and accepted bidders who pay by installments will be entitled to receive at the dates of such payments the amount of bonds paid for.

J. G. CARLISLE,
Secretary of the Treasury.

I hereby propose, under the terms of your circular of January 6, 1896, to purchase United States 4 per cent thirty-year bonds described in said circular, of the face value of _____ dollars, and I agree to pay therefor at the rate of _____ and accrued interest per \$100. I further agree, upon due notice of the acceptance of this subscription, to deposit the amount thereof in gold coin or gold certificates with the United States assistant treasurer at _____ in accordance with the terms of said circular.

I desire (registered or coupon) bonds, in denominations as stated below, and I wish them to be delivered to me at _____.

To the SECRETARY OF THE TREASURY.

COUPON.		REGISTERED.	
50	\$.....	50	\$.....
100	\$.....	100	\$.....
500	\$.....	500	\$.....
1,000	\$.....	1,000	\$.....
		5,000	\$.....
		10,000	\$.....

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., _____, 1896.

_____,
_____,
_____;

You are hereby notified that your subscription, under the terms of the Department circulars of January 6, January 9, and January 15, 1896, for \$_____ of the 4 per cent bonds of the United States, for which you have agreed to pay in United States gold coin or gold certificates, at the office of the assistant treasurer, in the city of _____, at the rate of \$—— and accrued interest per \$100 face value of said bonds, has been accepted.

You are therefore requested to deposit with the United States assistant treasurer at _____ on or before the 15th day of February, 1896, the sum of \$——, which is 20 per cent of the amount of your subscription at the price above named. The accrued interest from February 1, 1896, to date of the payment hereby requested should also be paid, at the rate of 4 per cent on the amount of the bonds paid for by said deposit. At the expiration of fifteen days from the date of this first payment an additional payment of 10 per cent must be made, and such payments must be continued at intervals of fifteen days until the whole amount is paid. The accrued interest accompanying each payment must be computed from February 1, 1896, to date of such payment. If you desire to pay the entire amount of your subscription at once you may do so, or you may anticipate the total payment of your subscription at any time prior to the maturing of the last installment. In the former case, the amount to be deposited is \$——, with accrued interest at 4 per cent on \$—— from February 1, 1896, to date of deposit.

The Secretary of the Treasury should be promptly advised of the character of the bonds desired (whether registered or coupon), and the denominations thereof. If this information has already been furnished, please confirm it.

The bonds will be issued only upon receipt by the Secretary of the original certificate of deposit of the assistant treasurer receiving the payments. The Department is prepared to begin the delivery of the bonds at once, and deliveries will be continued as rapidly as the facilities of the Department will permit.

Respectfully, yours,

J. G. CARLISLE, Secretary.

Prices upon February 1, 1896, of United States 4 per cent bonds, maturing February 1, 1925, corresponding to certain realized rates of interest to the investor.

2½ per cent.....	130.8749	3½ per cent.....	109.0856
2¾ per cent.....	124.9234	3⅞ per cent.....	107.8900
3 per cent.....	119.3229	3⅝ per cent.....	106.7121
3⅛ per cent.....	117.9749	3⅙ per cent.....	105.5516
3⅓ per cent.....	116.6471	3¼ per cent.....	104.4082
3⅔ per cent.....	115.3391	3⅓ per cent.....	103.2816
3¾ per cent.....	114.0506	3⅔ per cent.....	102.1716
3⅝ per cent.....	112.7814	3⅕ per cent.....	101.0778
3⅜ per cent.....	111.5310	4 per cent.....	100.0000
3⅞ per cent.....	110.2992		

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 10, 1896.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., March 7, 1896.

SIR: I have the honor to acknowledge the receipt of your favor of February 26, inclosing a copy of a preamble and resolution providing for the appointment of a committee by the House of Representatives to investigate the alleged conduct of the Secretary of the Treasury in refusing to deliver to one William Graves \$4,500,000 in the bonds of the United States and awarding said bonds to J. P. Morgan & Co., notwithstanding the said Graves is alleged to have "tendered the Secretary of the Treasury the amount of said bid for said bonds in gold at the subtreasury in the city of New York," and inviting from me such response to the allegations as I may be pleased to make.

I have the honor to say that on the 6th day of January, 1896, a circular was issued inviting sealed proposals until 12 o'clock m. on Wednesday, February 5, 1896, for the purchase of \$100,000,000 of United States 4 per cent coupon or registered bonds in denominations of \$50 or multiples of that sum, as might be desired by bidders, and it was stated that "purchasers will be required to pay in United States gold coin or gold certificates for the bonds awarded to them, and the interest accrued thereon after the 1st day of February, 1896, up to the time of payment for the bonds." Payments for the bonds were required to be made at the various subtreasuries of the United States by installments, as follows: Twenty per cent and accrued interest upon receipt of notice of acceptance of bids, and 20 per cent and accrued interest at the end of each ten days thereafter; that all accepted bidders were given the privilege of paying the whole amount at the date of the first installment, and those who had paid all installments previously maturing were allowed to pay the whole amount of their bids at any time not later than the maturity of the last installment.

On the 15th day of January, 1896, an additional circular was issued, notifying bidders that after the payment of the first installment of 20 per cent with accrued interest, the remainder of the amounts bid might be paid in installments of 10 per cent each and accrued interest at the end of each fifteen days thereafter; but all accepted bidders were allowed to pay the whole amount of their bid at the time of the first installment, and all accepted bidders who had paid all installments previously maturing were allowed to pay the whole of their bids at any time not later than the maturity of the last installment.

Among the proposals received under these circulars was one from "William Graves and associates," in the words and figures following:

"NEW YORK CITY, N. Y., February 4, 1896.

"We hereby propose, under the terms of your circular of January 6, 1896, to purchase United States 4 per cent thirty-year bonds, described in said circular, of the face value of \$4,500,000, and we agree to pay therefor at the rate of 115.3391 and accrued interest per \$100. We further agree, upon due notice of the acceptance of this subscription, to deposit the amount thereof in gold coin or in gold certificates with the United States assistant treasurer at New York City, in accordance with the terms of said circular.

"We desire (registered or coupon) bonds in denominations as stated below, and we wish them to be delivered to us at office of I. B. Newcombe, Mills Building, New York City, or Bank of California, San Francisco.

"WILLIAM GRAVES AND ASSOCIATES.

"To the SECRETARY OF THE TREASURY.

COUPON.		REGISTERED.	
50	\$.....	50	\$.....
100	\$.....	100	\$.....
500	\$.....	500	\$.....
1,000	\$.....	1,000	\$.....
		5,000	\$.....
		10,000	\$.....

Mr. Graves was wholly unknown to the Department, and the facts that he failed to give his street or office address, that the names of his associates were not disclosed, and that the price he proposed to pay for the bonds was considerably higher than responsible and bona fide bidders were offering were sufficient, in my opinion, to justify an inquiry concerning his financial character and standing before disposing of his proposal. I accordingly caused inquiries to be made at once in the city of New York, but no definite or satisfactory information concerning his business or financial standing was obtained, and on the 7th day of February, 1896, I caused the

following confidential telegram to be sent to the assistant treasurer of the United States at San Francisco, to wit:

"TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
"Washington, D. C., February 7, 1896.

"ASSISTANT TREASURER UNITED STATES, San Francisco, Cal.:

"Can you ascertain from the Bank of California or others as to the financial standing and responsibility of William Graves, a large bidder for bonds? It is important. Do not neglect to answer promptly by wire. Confidential.

"J. F. MELINE, *Assistant Treasurer.*"

On the same day the following response was received:

"FEBRUARY 7, 1896.

"TREASURER UNITED STATES, Washington, D. C.:

"Party referred to in yours of to-day, from what is learned from Bank of California and from others, was known very slightly as promoter or financial agent, but not capitalist. Can not give his whereabouts.

"C. P. BERRY, *Assistant Treasurer.*"

Although the information thus secured was not considered sufficient to show to my entire satisfaction the ability of the bidder to pay for such a large amount of bonds, yet as he appeared to have been "very slightly" known as a financial agent, and as he professed to have others associated with him in making his bid, it was deemed better not to reject his offer without first giving him an opportunity to comply with the terms of the circular and his bid. Out of abundant caution, therefore, and in order to avoid a possible mistake in a matter of such importance to the bidder and to the Government, a notice of acceptance was mailed to "William Graves and associates, New York, N. Y.," on the evening of February 9, 1896, being the same day on which other notices to accepted bidders were mailed. The notice was as follows:

"TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
"Washington, D. C., February 8, 1896.

"SIRS: You are hereby notified that your subscription under the terms of the Department circulars of January 6, January 9, and January 15, 1896, for \$4,500,000 of the 4 per cent bonds of the United States for which you have agreed to pay in United States gold coin or gold certificates, at the office of the assistant treasurer in the city of New York, at the rate of \$115.3391 and accrued interest per \$100 face value of said bonds, has been accepted.

"You are therefore requested to deposit with the United States assistant treasurer at New York on or before the 15th day of February, 1896, the sum of \$1,038,051.90, which is 20 per cent of the amount of your subscription at the price above named. The accrued interest from February 1, 1896, to date of the payment hereby requested should also be paid at the rate of 4 per cent on the amount of the bonds paid for by said deposit. At the expiration of fifteen days from the date of this first payment an additional payment of 10 per cent must be made, and such payments must be continued at intervals of fifteen days until the whole amount is paid. The accrued interest accompanying each payment must be computed from February 1, 1896, to date of such payment. If you desire to pay the entire amount of your subscription at once you may do so, or you may anticipate the total payment of your subscription at any time prior to the maturing of the last installment. In the former case the amount to be deposited is \$5,190,259.50, with accrued interest at 4 per cent on \$4,500,000 from February 1, 1896, to date of deposit.

"The Secretary of the Treasury should be promptly advised of the character of the bonds desired (whether registered or coupon), and the denominations thereof. If this information has already been furnished, please confirm it.

"The bonds will be issued only upon receipt by the Secretary of the original certificates of deposit of the assistant treasurer receiving the payments. The Department is prepared to begin the delivery of the bonds at once, and deliveries will be continued as rapidly as the facilities of the Department will permit.

"Respectfully, yours,

J. G. CARLISLE, *Secretary.*

"WILLIAM GRAVES AND ASSOCIATES,
"New York, N. Y."

A list of the accepted bidders was published in the principal newspapers of the country, including the New York City papers, on the morning of February 9, which Mr. Graves doubtless saw. But, however that may be, it is certain that he knew of

the acceptance of his bid as early as noon, February 10, as shown by the following telegrams:

"[Telegram.]

"NEW YORK, *February 10, 1896*—12.26 p. m.

"Hon. J. G. CARLISLE,

"*Secretary of the Treasury, Washington, D. C.:*

"Bank of California received their bond allotment. Have ours been forwarded? Wire.

"WILLIAM GRAVES AND ASSOCIATES."

"[Telegram.]

"TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,

"*Washington, D. C., February 10, 1896.*

"WILLIAM GRAVES AND ASSOCIATES,

"*New York, N. Y.:*

"Your notification was duly forwarded.

"W. E. CURTIS, *Assistant Secretary.*

"Collect."

Immediately upon the receipt of the above telegram from Mr. Graves a duplicate notification of acceptance was mailed to him, addressed to the Mills Building, New York, and nothing further was heard from him until February 13, at 12 o'clock m., when Mr. Allison Nailor, of the city of Washington, delivered to the Secretary in person a letter without date, from Graves to him (Nailor) requesting the latter to call on the Secretary and ask for an extension of time until the Wednesday following, February 19, to pay the first installment of 20 per cent on his bid. This letter was left at the Department, and a copy is appended hereto.

In a letter to the Secretary dated February 13, 1896, a copy of which is appended, Mr. Graves stated that he had that day received the "original notice of acceptance" of his bid and claimed that it had been erroneously addressed, although his own quotation of the address in his letter shows that it was in exact accord with the information given on the face of his bid. He fails to mention the fact that he had previously received a duplicate notice and had also been notified by wire that the original had been sent. In this letter he asked to be informed by wire or mail whether the bonds could be delivered to the subtreasury to be given to him "upon anticipated payments," and he was at once advised by a telegram, a copy of which is attached, that the bonds could be issued only upon receipt at the Secretary's office of the original certificate showing that they had been paid for. This was the course pursued in all cases, and Mr. Graves had been advised in his notice of acceptance that the original certificate of deposit would be required.

On the day the first installment of 20 per cent was due, February 15, 1896, Mr. Graves made another application by telephonic message for an extension of the time, and in response he was informed by wire that no extension could be given, as will be seen from the copy of the telegraphic dispatch to him which is attached hereto.

The statement in the preamble to the resolution inclosed in your latter that Mr. Graves had tendered the Secretary of the Treasury the amount of his bid for bonds in gold at the subtreasury in the city of New York is wholly incorrect. Neither he nor anyone for him tendered any gold whatever in payment for the bonds, or any part of them, at the subtreasury at New York, or elsewhere. On the contrary, on the morning of the 15th day of February, 1896, the day on which payments were required to be made, Mr. Graves sent to the Secretary of the Treasury a telegram, in which he abandoned his original bid of 115.3391, and proposed to take the bonds at 113.50, and stated that he would give satisfactory financial indorsements by Wednesday, February 19, showing his ability to fulfill such an agreement. A copy of this telegram is appended. And on the same day, and other days up to and including the 19th day of February, he wrote and sent various letters and telegrams to the Secretary, copies of all which are appended hereto. No notice was taken of these telegrams and letters for the reason that, according to the terms of the circular under which the bonds were offered to the public, the time for receiving bids had expired on the 5th day of February, 1896, at 12 o'clock m., and no bids made or received after that time had been or could properly be considered. Bids had been made in good faith by responsible parties within the designated time and in accordance with the terms of the circular for the whole of the proposed loan, and the Department has in every case declined to consider any bid which was not so made.

So far as this Department has been able to ascertain, Mr. Graves had no associates in his bid, and was wholly unable to comply with its terms. It was not a bona fide bid, but was purely speculative, and subsequent developments showed that it ought to have been rejected at the beginning, along with two other bids of the same char-

acter, amounting to \$129,000,000, which were, in fact, rejected, and about which no complaint has been made by the pretended bidders or anybody else. His complaint that he had been embarrassed or obstructed by errors or delays on the part of the Treasury Department is not sustained by the facts. There were no errors or delays on the part of the Department. According to the terms of the circular under which his bid was made, the first installment (20 per cent and accrued interest) was required to be paid "upon receipt of notice of acceptance of bids," and if his bid was in fact made in good faith, he of course expected to comply with that requirement. By the terms of the notice of acceptance sent to him, however, the time of payment was extended until and including the 15th of February, 1896, notwithstanding which he failed to make any deposit whatever on account of his offer.

If this bid had been rejected at the beginning the duty of the Secretary of the Treasury to award the \$4,500,000 in bonds to the next highest responsible bidder would have been perfectly clear, and it is difficult to see how the fact that its fictitious character was not fully discovered until a later date can in any way affect either the duty of the Secretary or the rights of other bona fide bidders. Messrs. J. P. Morgan & Co. had, within the time prescribed by the circular, and in accordance with the terms of the proposal, put in a bid for the whole \$100,000,000 at the price of \$110.6877, and all bona fide bids above that price having been accepted, they were entitled to have awarded to them the remainder of the loan. On and before February 15, 1896, that firm deposited the sum of \$36,520,018 in gold coin and certificates, and on that day they notified the Treasury Department by wire that they had deposited gold with the subtreasurer and Government depositories largely in excess of 20 per cent on any possible amount that could be awarded to them.

After a careful consideration of the subject they were notified on February 19, 1896, that they would be required to receive and pay for all the bonds which Graves and a few other smaller bidders had failed to take, and the firm has already paid in gold and gold certificates the sum of \$37,498,100, leaving unpaid only about \$420,000 on the entire amount awarded to it. Ordinary good faith on the part of the Government demanded that bona fide bidders who had strictly complied with all the requirements of the proposal under which their offers were made should not be excluded from consideration by the wrongful interposition of fictitious or purely speculative bids, and in my opinion the only legal and honorable course that could be pursued in this matter was to award the bonds upon which defaults were made to the parties who had in good faith, and within the time prescribed, submitted the next highest offer.

If, notwithstanding this brief statement of the facts, the committee and the House of Representatives consider the allegations contained in the newspaper clippings which were inclosed in your letter and which appear to have been adopted as the basis of the resolution, of sufficient importance to demand or justify an investigation, the Treasury Department will cheerfully do all in its power to facilitate the inquiry and promptly furnish all papers, records, and other evidence in its possession or under its control relating in any manner to the transaction in question.

I have the honor to be, very respectfully, yours,

J. G. CARLISLE, *Secretary.*

Hon. NELSON DINGLEY, Jr.,

Chairman Committee on Ways and Means, House of Representatives.

PETITION FOR A WRIT OF MANDAMUS.

In the supreme court of the District of Columbia.

THE UNITED STATES, EX RELATIONE WILLIAM GRAVES,	} At law, No. 39805.
v.	
JOHN G. CARLISLE, AS SECRETARY OF THE TREASURY of the United States.	

To the Honorable Judges of the Supreme Court of the District of Columbia:

The petition of William Graves respectfully shows to this honorable court as follows:

I. Your petitioner, William Graves, is a citizen of the United States and of the State of California, but at present is, and for ten months last past has been, a resident of the city of New York, with offices in and doing business at the Mills Building, 15 Broad street, in said city.

II. Your petitioner claims that he is entitled to \$4,500,000 of the recent issue of \$100,000,000 of thirty year 4 per cent bonds issued by the Government of the United States and sold on popular bids to various persons and associations of persons at varying prices, and is entitled to have and receive the said bonds from John G. Carlisle, as Secretary of the Treasury Department of the United States Govern-

ment, said right and claim to said bonds being founded upon an express contract of purchase heretofore entered into by and between the Government of the United States, through said John G. Carlisle, as Secretary of the Treasury Department, as aforesaid, and your petitioner.

III. Your petitioner respectfully represents that:

First. On or about the 6th day of January, 1896, the Treasury Department of the United States Government, through John G. Carlisle, as Secretary thereof, issued and published from Washington, D. C., a printed circular letter or notice known and designated as "Department Circular No. 3, 1896, Division of Loans and Currency" (a copy of which is hereto annexed, marked Exhibit A), calling for a popular loan to the Government by inviting sealed proposals or bids on or before 12 o'clock m., on Wednesday, February 5, 1896, for the purchase of \$100,000,000 of 4 per cent thirty-year bonds of the United States Government, payment for which bonds, or the allotments thereof, was required to be made at the Treasury Department of the United States Government at Washington, D. C., or at the United States subtreasury at New York City, and elsewhere, as designated in said notice or circular letter. Said notice or circular letter further required that said bids or proposals to purchase said bonds should state the denomination or denominations of bonds the bidder or proponent desired, and should also designate a place where the bonds were to be paid for. It was particularly provided by said notice or circular letter that the payment of said bonds, or allotments thereof, should be made in installments as follows, viz: 20 per cent of the amount or allotments and the accrued interest thereon was to be paid upon receipt of notice of acceptance of the bid or proposal, and 20 per cent and accrued interest thereon at the end of each and every ten days thereafter until the whole amount should be paid.

Second. On or about the 9th day of January, 1896, there was issued and published by the Treasury Department of the Government of the United States another circular letter or notice, known and designated as "Department Circular No. 6, 1896, division of loans and currency" (a copy of which is hereto annexed, marked Exhibit B), which gave notice that persons intending to subscribe for the bonds under said circular letter of January 6, 1896, should, among other things, state plainly the amount of bonds desired, the price which the bidder or proponent proposed to pay therefor, and the place where the bonds were to be delivered, which place, said circular letter expressly stated, might be "the subscriber's home, or any other convenient place." The said additional notice or circular letter required that the proposals or bids for the said bonds should state whether the party making the proposal or bid wished to deposit the amount of his subscription in the Treasury Department in the city of Washington, D. C., or at one of the subtreasuries of the United States named therein, including that in New York City. This additional notice or circular letter gave to the parties making the proposals or bids until the time when notice should be given to them that their proposal or bid was accepted in which to designate the denomination of the bonds desired, and whether they should be coupon or registered.

Third. On or about January 15, 1896, an additional circular letter or notice was issued by the Treasury Department of the United States and distributed among the prospective bidders for said bonds, known and designated as "Department Circular No. 12, 1896, division of loans and currency" (a copy of which is hereto annexed, marked Exhibit C), which modified Treasury Circular No. 3, hereinbefore referred to and hereinafter set out as Exhibit A, so that after the payment of the first installment of 20 per cent of the bonds, or allotments thereof, together with accrued interest thereon, as required in said Circular No. 3, the remainder of the amount was to be paid in installments of 10 per cent and accrued interest at the end of every fifteen days thereafter, and that all accepted bidders might pay the whole amount of their bids at the time of the first installment becoming due, or at any time thereafter, not later than the maturity of the last installment.

IV. Your petitioner, on February 4, 1896, in pursuance of the said circular letters or notices, and on the terms and upon the conditions prescribed therein, and in the form required thereby, put in a bid for \$4,500,000 of said issue of bonds, agreeing to pay therefor the sum of \$115.3391 and accrued interest for each \$100, agreeing upon due notice of the acceptance of his bid or subscription to deposit the amount thereof in gold coin, or gold certificates, with the United States subtreasury at New York City, or the amount of the first installment, as required by the terms of the said circular letters or notices, and also directed that the bonds allotted to him under his bid or proposal, if any, should be delivered to him at the office of I. B. Newcombe, in the Mills Building, 15 Broad street, New York City, or at the Bank of California, in San Francisco, Cal. (a copy of which is hereto annexed, marked Exhibit D).

V. Your petitioner further shows that the said bid was made in the name of himself "and associates," meaning thereby such persons as he might thereafter associate with himself in the transaction, and in the taking and paying for said bonds, according to the terms of said bid and the circular letters or notices under which it was made.

VI. Your petitioner further shows that thereafter, and on or about the 8th day of February, 1896, said proposal was duly accepted by the Government of the United States, through its said agent, John G. Carlisle, acting as Secretary of the Treasury Department as aforesaid, and the notice of said acceptance was duly inclosed in an envelope and addressed to your petitioner in New York City, as it is alleged by the Treasury Department of the Government of the United States, notifying your petitioner that his bid had been accepted, and that there had been allotted to him the amount of \$4,500,000 in bonds, bid for by him (a duplicate copy of which is hereto annexed, marked Exhibit E).

VII. Your petitioner further shows that the original notice of allotment was not sent to him as it should have been, and as such notice was sent to other successful bidders, in that the address your petitioner designated in his bid was not written upon the envelope containing the letter of notification of acceptance, and the original notice was for that reason not received at the office of your petitioner, but was sent to the general delivery of the New York post-office instead of the designated office.

VIII. Your petitioner further shows that not having received the notice of the acceptance of his bid and of his allotment of bonds on the day that other successful bidders for said bonds received their notice of allotment from the Treasury Department, he sent a telegram to the Secretary of the United States Treasury Department at Washington, D. C., February 10, 1896, and received in reply thereto a telegram signed by W. E. Curtis, Assistant Secretary, to the effect that the letter of notification had been duly forwarded (a copy of which is hereto annexed, marked Exhibit F).

IX. Your petitioner further shows that thereafter, to wit, on the 11th day of February, 1896, at 2.15 o'clock p. m., he received, properly addressed to his office in the Mills Building, New York City, a duplicate of the original letter of notification of allotment of the \$4,500,000 in bonds under his bid or proposal (a copy of which is hereunto annexed, marked Exhibit E, as aforesaid).

And that immediately upon the receipt of same he applied to the Secretary of the Treasury Department, requesting an allowance of the time lost to him caused by the negligent act of the Department in misdirecting the original notice of allotment, but that said allowance was declined by said Department through a telegram received by your petitioner on the 15th day of February, 1896, from W. E. Curtis, Assistant Secretary (a copy of which is hereunto annexed, marked Exhibit G).

X. Your petitioner further shows that immediately upon the receipt of the notice that the extension of time within which to comply with his bid and complete his purchase had been denied, to wit, on the 15th day of February, 1896, he duly notified the Treasury Department by letter that he was ready and willing to deposit the gold in the subtreasury in New York City for the full amount of his subscription, in payment for coupon bonds to the order of himself and associates, in accordance with his bid, and also in accordance with said Treasury Department circular letters or notices, sent out on January 6, 9, and 15, 1896, as above referred to, upon the notice of the bonds being deposited for delivery at the subtreasury.

XI. Your petitioner further declared that "we" (meaning your petitioner and associates) "were and are financially able and capable to conduct this matter if you will forbid impediments constantly used against us by your Department" (a copy of which is hereto annexed, marked Exhibit H).

In reply to this letter your petitioner received a telegram from the Treasury Department, signed by W. E. Curtis, Assistant Secretary, saying: "Bonds are issued only upon receipt at this office of the original certificate representing payment thereof" (a copy of which is hereto annexed, marked Exhibit I).

XII. Your petitioner thereupon, on said 15th day of February, 1896, notified the Department by letter that he did not want or desire an extension of the time within which to comply with his bid and to complete his purchase, informing the Treasury Department that the gold had been provided by him on the Saturday preceding, with which to meet and pay the installment on his allotment, and referring the Department to the New York agency of the Bank of California, to Messrs. Seligman and ex-Secretary Fairchild in relation to the matter of his ability to carry out his contract (a copy of which letter is hereto annexed, marked Exhibit J).

XIII. Your petitioner further shows that on the 17th day of February, 1896, he learned of a contemplated move by the Treasury Department to deprive him of his said allotment of bonds and turn them over to J. P. Morgan & Co., and that he sent a written protest against any such action by the Department, if contemplated, and demanded the right to have the bid or offer made by Graves and associates considered favorably (a copy of which is hereto annexed, marked Exhibit K). On the same day your petitioner telegraphed to the Secretary of the Treasury Department, demanding to know whether payment would be accepted for the bonds allotted to this petitioner and associates, and directed that an answer by wire be sent (a copy of which is hereunto annexed, marked Exhibit L). Your petitioner alleges that no answer, either to this letter or telegram has ever been received by him.

XIV. Your petitioner further shows that on the 18th day of February, 1896, he sent to the Treasury Department at Washington, D. C., a letter in which he protested against any disposition or delivery to any person or persons of the bonds, or any portion thereof, allotted to himself and associates.

XV. Your petitioner further shows that on February 18, 1896, he sent a dispatch to the Secretary of the Treasury Department, serving notice that on the Saturday preceding Messrs. Ladenburg, Thalmann & Co. offered to deposit gold in the subtreasury at New York City in the interest of and in accordance with the terms of the bid of your petitioner, and was refused (a copy of which is hereto attached, marked Exhibit N). On the same day your petitioner wrote to the Secretary of the Treasury Department at Washington in relation to said bid and the delivery of the money to be paid for the bonds, sending him as indorsements of his financial ability to complete his bid and take the bonds, Messrs. Ladenburg, Thalmann & Co., L. Von Hoffman & Co., and the agency of the Bank of California, all of New York City (a copy of which letter is hereunto attached, marked Exhibit O).

XVI. Your petitioner further shows that on February 24, 1896, he, by letter, informed the Treasury Department that he was in a position to deposit the amount in gold in payment of the 10 per cent of the bonds allotted to William Graves and associates, claimed to be due on or about March 2, 1896, and requesting to be informed as to the total amount required up to and including February 26, 1896, and informing the Department that he would receive bonds in payment therefor in accordance with his subscription (a copy of which is hereto annexed, marked Exhibit P).

XVII. Your petitioner further represents and shows that on March 31, 1896, he made a tender to the subtreasury at New York City, through Conrad N. Jordan, assistant treasurer, the person in charge thereof, of the money due upon the allotment falling due on that day and the accrued interest thereon, as well as of any and all former allotments and accrued interest thereon, and demanded the delivery of the bonds in New York City, according to the provisions of the bid; but your petitioner was refused the bonds, with no other or further reason being assigned than as follows, viz: "I am prohibited from Washington from giving you any information in regard to these bonds."

XVIII. Your petitioner further shows that he has at all times since he was notified of his allotment of bonds stood ready and willing, and was and is abundantly able to pay for said bonds, according to the express terms and conditions of his said bid under the circular letters or notices sent out by the Treasury Department, and that on divers occasions he has had the gold ready to pay into the subtreasury, on the delivery of the bonds, as stipulated for in his said bid; that he has at divers times made efforts to deposit the gold to pay for the installment or installments called for by the terms of the said circulars and of said bid thereunder, and would have paid the gold to the subtreasury if the Treasury Department had been willing to and would have delivered the bonds according to the tenor and terms of the contract of purchase. Your petitioner further alleges that he still stands ready and willing, and is abundantly able, to pay the gold required to take up the installment or installments due to this date under the terms of the said circular letters or notices and his said bid, and that he will do so at any time the Treasury Department will deliver the bonds in New York City, upon such payment into the subtreasury at New York City of the gold coin or gold certificates necessary to pay for such installment and accrued interest thereon.

XIX. Your petitioner further shows that the refusal of the Treasury Department to deliver the bonds allotted to him, in New York City, as required by said circular letters of the Treasury Department and the express terms of his bid, as your petitioner is informed and has reason to believe, was a mere subterfuge to prevent and hinder your petitioner, and those whom he might associate with him, from carrying out the terms of his bid and completing the purchase of and payment for the bonds allotted to him; that the requirement that your petitioner deposit the gold in the subtreasury at New York and transmit the certificate of such deposit to the Treasury Department at Washington, D. C., was and is a requirement not exacted of other successful bidders, which was and is a great hardship upon this petitioner and an invasion of his right to have the delivery of the bonds made at New York City.

XX. Your petitioner alleges that he is informed and believes, and therefore avers, that certain allotments of said bonds were sent to New York and paid over the counter of the subtreasury to favored bidders before the time had expired in which your petitioner was required to make his payment for the first installment; that among the banks and individuals who thus paid gold into the Treasury at New York, and received their bonds in exchange therefor, without the Treasury Department demanding or requiring that a receipt for such deposit be sent to Washington before the bonds would be issued, are the Hanover National Bank, the New York Security and Trust Company, the Continental National Bank, the Chemical National Bank, and others, and especially J. Pierpont Morgan & Co.

XXI. Your petitioner further alleges that the Treasury Department accepted

assignments and powers of attorney in case of other successful bidders, and declined and refused to accept or recognize from your petitioner an assignment of his bid, or to allow any one to act for him in the matter, and deposit the gold required, as his attorney and representative.

Your petitioner alleges that he is informed and believes, and therefore avers, that the Hanover National Bank deposited gold in the subtreasury at New York City for other parties and received receipts therefor; that the New York Security and Trust Company paid gold into the subtreasury at New York City for parties in Buffalo and elsewhere and received receipts therefor; and that the Chemical National Bank, and the Continental National Bank, and the Third National Bank, each paid gold into the subtreasury at New York City, on the account of and for the benefit of other successful bidders for bonds, and took receipts therefor.

XXII. Your petitioner further alleges that there was not in the circular letters or notices of the Treasury Department, heretofore referred to, any penalty for default in payment of the first or any other installment of the bonds allotted, and that the Secretary of the Treasury Department has and had no authority or power to declare any allotment of bonds to be defaulted, and the allotment thereof to be thereby abrogated, and that the action of the Treasury Department in refusing to accept payment for the bonds allotted to this affiant, or any other successful bidder for said bonds, after the date fixed for payment of the first or any other installment, is an exercise of arbitrary power and wholly without warrant or authority of law, and is an invasion of the vested interests and the rights of your petitioner.

XXIII. Your petitioner represents that the failure, neglect, and refusal of said John G. Carlisle, as Treasurer aforesaid, and of the Treasury Department, to deliver to your petitioner the said \$4,500,000 of bonds allotted to him as aforesaid, has not only deprived him of the legitimate profits of having and receiving the same (which at the present price of said bonds is not less than \$65,000), but has caused and worked a great and irreparable injury in his good name and business relations and financial transactions, for which your petitioner has no adequate remedy at law.

XXIV. Your petitioner further shows that he is informed and believes, and therefore avers, that there is still in the Treasury Department of the said \$100,000,000 bonds issued, yet remaining undelivered and undisposed of, an amount exceeding \$5,000,000, and more than sufficient to enable the said John G. Carlisle, as Secretary of the Treasury Department, to deliver to your petitioner the \$4,500,000 in bonds purchased and allotted to him as aforesaid, and which are justly due to your petitioner.

XXV. Your petitioner is without any other or specific and adequate legal remedy, and a failure to deliver to him and his associates the said bonds will work and cause him great and irreparable injury.

XXVI. Your petitioner respectfully submits that the interests of the people, as well as of this petitioner and his associates, require that the bid of your petitioner (which for the \$4,500,000 of bonds is about \$230,000 in excess of that of J. Pierpont Morgan & Co., to whom the Treasury Department threaten and are about to deliver the said bonds heretofore allotted to your petitioner) should be carried out and the bonds delivered according to the terms of said circular letters or notices and the express terms of the said bid of your petitioner, and that the legal question involved in the transaction should, both in the interest of the public and of your petitioner, be authoritatively and finally adjudged by this honorable court, upon and after a full presentation of the question.

Wherefore your petitioner respectfully prays this honorable court for a notice to show cause why a peremptory mandamus should not issue to the said John G. Carlisle, as Secretary of the Treasury Department as aforesaid, commanding him to deliver to William Graves, or to William Graves and associates, at New York City, the said \$4,500,000 in bonds of the aforesaid issue of \$100,000,000 of Government bonds, and which said \$4,500,000 of said bonds has been heretofore duly allotted to your petitioner and associates; that until further order of this court the said John G. Carlisle, as said Secretary of the Treasury Department, be restrained from delivering or disposing of said \$4,500,000, in whole or in part, to J. Pierpont Morgan & Co., or to any other person or persons; and that your petitioner may have such other and further relief or remedy in the premises as to this honorable court may seem appropriate and equitable.

And your petitioner will ever pray.

WILLIAM GRAVES, *Petitioner.*

KERR & O'DWYER,

Attorneys for Petitioner, 71 Wall Street, New York, N. Y.

ENOCH TOTTEN, *Of Counsel.*

STATE OF NEW YORK, *City and County of New York, ss:*

William Graves, being duly sworn, says that he is the petitioner above mentioned; that he has read the foregoing petition and knows the contents thereof, and that the

same is true, of his own knowledge, except as to the matters therein stated to be alleged on information and belief, and as to those matters he believes it to be true.

WILLIAM GRAVES.

Sworn to before me this ——— day of April, 1896.

GEORGE H. GILMAN,
Notary Public, New York County (83).

STATE OF NEW YORK, *City and County of New York*, ss:

I, Henry D. Purroy, clerk of the city and county of New York, and also clerk of the supreme court for the said city and county, the same being a court of record, do hereby certify that George H. Gilman, before whom the annexed deposition was taken, was, at the time of taking the same, a notary public of New York, dwelling in said city and county, duly appointed and sworn, and authorized to administer oaths to be used in any court in said State, and for general purposes; that I am well acquainted with the handwriting of said notary, and that his signature thereto is genuine, as I verily believe.

In testimony whereof I have hereunto set my hand and affixed the seal of the said court and county, the 10th day of April, 1896.

[L. S.]

HENRY D. PURROY, *Clerk*.

EXHIBIT A.—*Inviting proposals for four per cent bonds.*

[1896. Department Circular No. 3. Division of Loans and Currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 6, 1896.

Notice is hereby given that sealed proposals will be received at the office of the Secretary of the Treasury, at Washington, D. C., until 12 o'clock m. on Wednesday, the 5th day of February, 1896, for the purchase of one hundred million dollars (\$100,000,000) of the United States four per cent coupon or registered bonds, in denominations of fifty dollars (\$50) and multiples of that sum, as may be desired by bidders.

The right to reject any or all bids is reserved.

The bonds will be dated on the first day of February, 1895, and be payable in coin thirty years after that date, and will bear interest at four per centum per annum, payable quarterly in coin; but all coupons maturing on and before the first day of February, 1896, will be detached, and purchasers will be required to pay in United States gold coin, or gold certificates, for the bonds awarded to them, and all interest accrued thereon after the first day of February, 1896, up to the time of payment for the bonds.

Payments for the bonds must be made at the Treasury of the United States at Washington, D. C., or at the United States subtreasuries at New York, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, and New Orleans, and they may be made at San Francisco with exchange on New York, and all bids must state what denominations of bonds are desired, and whether coupon or registered, and at what place they will be paid for.

Payments may be made by installments, as follows: Twenty per cent (20 per cent) and accrued interest upon receipt of notice of acceptance of bids, and twenty per cent (20 per cent) and accrued interest at the end of each ten days thereafter; but all accepted bidders may pay the whole amount at the date of the first installment, and those who have paid all installments previously maturing may pay the whole amount of their bids at any time not later than the maturity of the last installment.

The bonds will be ready for delivery on or about the fifteenth day of February, 1896.

Notice is further hereby given that if the issue and sale of an additional or different form of bond for the maintenance of the gold reserve shall be authorized by law before the fifth day of February, 1895, sealed proposals for the purchase of such bonds will also be received at the same time and place, and up to the same date, and upon the same terms and conditions herein set forth; and such bids will be considered, as well as the bids for the four per cent bonds herein mentioned.

J. G. CARLISLE,
Secretary of the Treasury.

Mark envelope: "Proposals for four per cent bonds."

EXHIBIT B.—*Subscriptions to four per cent bonds.*

[1896. Department Circular No. 6. Division of Loans and Currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 9, 1896.

In subscribing for the new four per cent bonds under the circular of January 6, 1896, the annexed form should be followed. The blank may be detached, filled up, and addressed to the Secretary of the Treasury. The subscriber should state plainly the amount of bonds desired, the price which he proposes to pay, and the place where the bonds should be delivered, which may be at the subscriber's home or any other convenient place. He should at the same time state whether he desires to deposit the amount of his subscription at the Treasury Department, in the city of Washington, or at one of the following subtreasuries, viz: New York, Boston, Philadelphia, Baltimore, Cincinnati, Chicago, St. Louis, New Orleans, or San Francisco. Deposits at San Francisco must be with exchange on New York.

The bonds will be issued in the following denominations, viz: Coupon bonds, \$50, \$100, \$500, and \$1,000; registered bonds, \$50, \$100, \$500, \$1,000, \$5,000, and \$10,000.

Subscribers should, if practicable, state in their proposals the denominations of the bonds desired, and whether they should be coupon or registered; but if at the time of offering the subscription the kind and denominations of the bonds desired can not be stated, the subscriber may defer giving that information until he is notified that his proposal is accepted.

Gold certificates will be received the same as gold coin in payment of subscriptions, but no payment should be made by any subscriber until he has been notified by the Secretary that his subscription has been accepted.

Additional copies of the annexed form of proposal may be had upon application to the Secretary of the Treasury.

J. G. CARLISLE,
Secretary of the Treasury.

Envelopes should be plainly marked: "Proposals for four per cent bonds."

EXHIBIT C.—*Subscription to four per cent bonds.*

[Additional circular. 1896. Department Circular No. 12. Division of Loans and Currency.]

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 15, 1896.

Treasury circular (No. 3, 1896), dated January 6, 1896, inviting proposals of one hundred million dollars (\$100,000,000) of United States four per cent bonds, is hereby so modified that after the payment of the first installment of twenty per cent, with accrued interest, as required in said circular, the remainder of the amounts bid may be paid in installments of ten per cent (10 per cent) each and accrued interest, at the end of each fifteen days thereafter; but all accepted bidders may pay the whole amount of their bids at the time of the first installment, and all accepted bidders who have paid all installments previously maturing may pay the whole amount of their bids at any time not later than the maturity of the last installment.

Accepted bidders who pay the whole amount at the time of the first installment, or at any date thereafter, as above provided, will be entitled to receive, at the date of the payment, the whole amount of bonds awarded to them, and accepted bidders who pay by installments will be entitled to receive at the dates of such payments the amount of bonds paid for.

J. G. CARLISLE,
Secretary of the Treasury.

EXHIBIT D.

NEW YORK CITY, *February 4, 1896.*

We hereby propose, under the terms of your circular of January 6, 1896, to purchase United States four per cent thirty-year bonds described in said circular, of the face value of four million five hundred thousand dollars, and we agree to pay therefor at the rate of \$115.3391 and accrued interest per \$100. We further agree, upon due notice of the acceptance of this subscription, to deposit the amount thereof in gold

coin or gold certificates with the United States assistant treasurer at New York City, in accordance with the terms of said circular. We desire (registered or coupon) bonds, in denominations as stated below, and we wish them to be delivered to us at I. B. Newcomb, Mills Building, New York City, or Bank of California, San Francisco, Cal.

The SECRETARY OF THE TREASURY.

COUPON.

50	\$.....
100	\$.....
500	\$.....
1,000	\$.....

WILLIAM GRAVES AND ASSOCIATES.

REGISTERED.

50	\$.....
100	\$.....
500	\$.....
1,000	\$.....
5,000	\$.....
10,000	\$.....

EXHIBIT E.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., February 8, 1896.

WM. GRAVES & ASSOCIATES,
New York:

You are hereby notified that your subscription, under the terms of the Department circulars of January 6, January 9, and January 15, 1896, for \$4,500,000 of the 4 per cent bonds of the United States, for which you have agreed to pay in United States gold coin or gold certificates, at the office of assistant treasurer in the city of New York, at the rate of \$115.3391 and accrued interest per \$100 face value of said bonds, has been accepted.

You are therefore requested to deposit with the United States assistant treasurer at New York, on or before the 15th day of February, 1896, the sum of \$1,038,051.90, which is 20 per cent of the amount of your subscription at the price above named. The accrued interest from February 1, 1896, to date of the payment hereby requested, should also be paid, at the rate of 4 per cent on the amount of the bonds paid for by said deposit. At the expiration of fifteen days from the date of this first payment an additional payment of 10 per cent must be made, and such payment must be continued at intervals of fifteen days until the whole amount is paid. The accrued interest accompanying each payment must be computed from February 1, 1896, to date of such payment. If you desire to have the entire amount of your subscription at once you may do so, or you may anticipate the total payment of your subscription at any time prior to the maturing of the last installment. In the former case the amount to be deposited is \$5,190,259.50, with accrued interest at 4 per cent of \$4,505,000 from February 1, 1896, to date of deposit.

The Secretary of the Treasury should be promptly advised of the character of the bonds desired (whether registered or coupon), and the denominations thereof. If this information has already been furnished, please confirm it.

The bonds will be issued only upon receipt by the Secretary of the original certificate of deposit of the assistant treasurer receiving the payments. The Department is prepared to begin the delivery of the bonds at once, and deliveries will be continued as rapidly as the facilities of the Department will permit.

Respectfully, yours,

J. G. CARLISLE, *Secretary.*

EXHIBIT F.

WASHINGTON, D. C., February 10, 1896.

WM. GRAVES AND ASSOCIATES
(Try care of J. Alden Gaylord),
Mills Building, New York:

Your notification was duly forwarded.

W. E. CURTIS, *Assistant Secretary.*

EXHIBIT G.

WASHINGTON, D. C., *February 15, 1896.*WILLIAM GRAVES,
Mills Building, New York:

Application for extension is declined by Department.

W. E. CURTIS, *Assistant Secretary.*

EXHIBIT H.

NEW YORK, *February 15, 1896.*Hon. J. G. CARLISLE,
Secretary, Washington, D. C.

DEAR SIR: We are ready and willing to deposit gold in the subtreasury in New York City to the full amount of our subscription in payment for coupon bonds to our order, in accordance with our bid and in compliance with your circular letters of January 6, 9, and 15, 1896, upon due notice being given of such bonds being so deposited by you.

The clerical errors and delays in your Department in connection with this transaction are of such a nature that it is your legal obligation to us and your duty to the Government and the people that we be permitted to conduct this transaction in the spirit and intention displayed, and the Government be allowed to secure \$230,000 above other bids. Any deviation from the line of justice we will not permit to go unfathomed.

The power and influence which have been displayed in certain quarters to squelch us and divert these \$4,500,000 bonds are of the most scandalous nature. Your Department can not afford to remain under these imputations.

We are financially able and capable to conduct this matter if you will forbid the impediments constantly used against us by your Department. If we are further deterred in this matter we shall not suffer our name to be sacrificed without a full explanation of all things and matters pertaining thereto.

Feeling you will give the subject your due attention, we shall be pleased to hear from you at your earliest opportunity.

WILLIAM GRAVES.

EXHIBIT I.

WASHINGTON, D. C., *February 14, 1896.*WILLIAM GRAVES,
Mills Building, New York:

Letter received. Bonds are issued only upon receipt at this office of the original certificate representing payment therefor.

W. E. CURTIS, *Assistant Secretary.*

EXHIBIT J.

LLEWELLYN PARK, *Orange, N. J., February 15, 1896.*Hon. J. G. CARLISLE, *Secretary.*

DEAR SIR: My subscription to \$4,500,000 of the new Government bonds was made in good faith, and I am prepared to live up to the letter of the transaction.

Deliver me the bonds and I will pay for them as agreed. I received a telegram to-day as follows, sent from Washington at 11.14 a. m.:

"Application for extension is declined by Department.

"W. E. CURTIS, *Assistant Secretary.*"

Now, I do not want an extension, neither do I ask for it; but I think it due by law and equity that one person be given equal chances with another and that I be made good in my loss, both financially and because of the forfeit of my good name in not taking my bonds because of a clerical error on your part in not properly addressing my letter.

Again, the United States Government can not afford to lose \$239,000, which is the sum of money the Government will get from me over the next bidder, provided you make the allotment to such bidder in place of getting the market quotations. I can

not afford to have myself and family sacrificed for this transaction, neither will I do so.

I refer you to the Bank of California that the gold was promised me on Tuesday to meet my demands, to Messrs. Seligman, to ex-Secretary Fairchild, and others upon demand from you, but even though the newspapers quoted the accepted bidders the bank absolutely refused to continue until my notice from you was in hand.

WILLIAM GRAVES.

EXHIBIT K.

LLEWELLYN PARK, *Orange, N. J., February 17, 1896.*

Hon. J. G. CARLISLE,
Secretary, Washington, D. C.:

I learn of a contemplated move to allow what may be considered defaulted subscriptions to the new bonds to go to J. P. Morgan & Co. This decision would be quite unjust. They were allotted all bonds excepting those whose bids were in excess, and here the transaction ends. If the bonds should to-day be quoted at 105, they could not and would not take any that might be offered. I protest against any such action, if contemplated, and I demand the right to have the offer made by Graves and associates considered favorably if the bid is above others at hand.

WM. GRAVES.

EXHIBIT L.

FEBRUARY 17, 1896.

Hon. J. G. CARLISLE, *Secretary, Washington, D. C.:*

Will you accept payment for bonds allotted to me? Wire answer.

WILLIAM GRAVES.

EXHIBIT M.

FEBRUARY 18, 1896.

J. G. CARLISLE, *Secretary, Washington, D. C.:*

Under legal advice I protest against any disposition of each or any portion of bonds to be delivered to myself and associates from time to time, in accordance with the terms of payment required by you in your circulars of January 6, 9, and 15, until such time as each portion is not accepted by us.

WILLIAM GRAVES.

EXHIBIT N.

FEBRUARY 18, 1896.

Hon. J. G. CARLISLE, *Secretary, Washington, D. C.:*

Ladenburg, Thalmann & Co. offered your subtreasury to deposit gold on Saturday in our interest and in accordance with terms of our bid for bonds, and was refused. Please answer telegram of yesterday.

WILLIAM GRAVES AND ASSOCIATES.

EXHIBIT O.

FEBRUARY 18, 1896.

DEAR SIR: Referring to our bid for the amount of bonds which may be considered by you in default, and promising to furnish you satisfactory indorsements as to my financial ability, I now take pleasure to refer you to Ladenburg, Thalmann & Co., L. Von Hoffmann & Co., and the agency of Bank of California, all of New York City.

Respectfully, yours,

WILLIAM GRAVES AND ASSOCIATES.

Hon. J. G. CARLISLE, *Washington, D. C.*

EXHIBIT P.

FEBRUARY 24, 1896.

Mr. JORDAN, *United States Treasury Department*:

I am in position to deposit the amount of gold payment for the 10 per cent of the bonds allotted to William Graves and associates, claimed to be due on or before March 2, 1896, and you will please inform me what such total sum amounts to, with interest up to and inclusive of February 26, 1896, and I will receive bonds in payment therefor in accordance with subscription made by William Graves and associates.

Yours, truly,

WILLIAM GRAVES,
Mills Building, New York City.

In the supreme court of the District of Columbia. No. 39805 at law.

THE UNITED STATES, EX RELATIONE WILLIAM GRAVES,	}
v.	
JOHN G. CARLISLE, SECRETARY OF THE TREASURY OF THE United States.	

AFFIDAVIT OF JOHN G. CARLISLE.

UNITED STATES OF AMERICA, *District of Columbia*:

JOHN G. CARLISLE, having been first duly sworn, deposes and says:

On January 6, 1896, a circular was issued by me, as Secretary of the Treasury of the United States, inviting sealed proposals for the purchase of United States bonds. It was stated that "purchasers will be required to pay in United States gold coin or gold certificates for the bonds awarded to them and the interest accrued thereon after the 1st day of February, 1896, up to the time of payment for the bonds." Payments for the bonds were required to be made at the various subtreasuries of the United States by installments as follows: Twenty per cent (20 %) and accrued interest upon receipt of notice of acceptance of bids and twenty per cent (20 %) and accrued interest at the end of each ten days thereafter; that all accepted bidders were given the privilege of paying the whole amount at the date of the first installment, and those who had paid all installments previously maturing were allowed to pay the whole amount of their bids at any time not later than the maturity of the last installment.

On January 9, 1896, a circular was issued by me which contained the following:

"The subscriber should state plainly the amount of bonds desired, the price which he proposes to pay, and *the place where the bonds should be delivered*, which may be at the subscriber's home or any other convenient place."

Among the proposals received was one from "William Graves and associates."

Said Graves was wholly unknown to the Department, and the facts that he failed to give his street or office address; that the names of his associates were not disclosed, and that the price he proposed to pay for the bonds was considerably higher than responsible and bona fide bidders were offering, were sufficient, in affiant's opinion, to justify an inquiry concerning his financial character and standing before disposing of his proposal. Affiant accordingly caused inquiries to be made at once in the city of New York, but no definite or satisfactory information concerning his business or financial standing was obtained, and on the 7th day of February, 1896, affiant caused a telegram to be sent to the assistant treasurer of the United States at San Francisco, inquiring as to the financial standing and responsibility of said Graves, and received on the same day in reply a telegram to the effect that Graves was known very slightly as a promoter or financial agent, but not as a capitalist.

Although the information thus secured was not considered sufficient to show to affiant's satisfaction the ability of the bidder to pay for such a large amount of bonds, yet as he appeared to have been known as a financial agent, and as he professed to have others associated with him in making his bid, it was deemed better not to reject his offer without first giving him an opportunity to comply with the terms of the circular and his bid. Out of abundant caution, therefore, and in order to avoid a possible mistake in a matter of such importance to the bidder and to the Government, a notice of acceptance was mailed. The proposal of Graves and associates was dated "New York City, N. Y." No other address was given. The body of the bid contained the following:

"We desire (registered or coupon) bonds, in denominations as stated below, and we wish *them to be delivered to us* at I. B. Newcomb's, Mills building, New York City, or Bank of California, San Francisco, Cal."

This was understood to refer alone to the delivery of the bonds at one or both of the places named, as the bidder might decide, if successful, and was not understood to have any reference to the address to which the acceptance of the bid should be sent. There was no "designated office," as stated in paragraph 7 of the petition, to which communications were to be directed.

On the evening of February 9, 1896, being the same day on which the other notices to accepted bidders were mailed, a notice of acceptance was mailed to "William Graves and Associates, New York, N. Y.," which was in accordance with the address given in his bid of February 4, 1896.

This letter was received at the post-office in New York on the morning of February 10.

All notices to other bidders were mailed according to the address given in the bid.

The acceptance of this bid was on the printed form used in notifying all other bidders, the only variation being in the filling of blanks in each case according to the bids.

The acceptance contained the following:

"You are therefore requested to deposit with the U. S. assistant treasurer at New York, on or before the 15th day of February, 1896, the sum of \$1,038,051.90, which is 20 per cent of the amount of your subscription at the price above named."

And also the following:

"The bonds will be issued only upon receipt by the Secretary of the original certificate of deposit of the assistant treasurer receiving the payments."

A list of the accepted bidders, which included William Graves and associates, was published in the principal newspapers of New York City and of the country generally on the morning of February 9.

Graves knew on Monday, February 10, all the facts which it was necessary for him to know, and which he would have known if he had that morning received the formal acceptance of his bid.

He knew through the newspapers of the acceptance of his bid, as is shown by Exhibit J to his petition, in which he says: "Even though the newspapers quoted the accepted bidders, the bank absolutely refused to continue until my notice from you was in hand."

On February 10 he sent to affiant a telegram as follows:

"Bank of California received their bond allotment. Has ours been forwarded? Wire."

To the above telegram an immediate reply was sent, stating that his notification had been forwarded.

On the 11th day of February, which was four days before he was required to make any payment, he received a duplicate of the original letter of notification of allotment.

The statement in the ninth paragraph of the petition that petitioner "immediately upon the receipt of this duplicate notice, applied to the Secretary of the Treasury, requesting an allowance of the time lost to him by the negligent act of the Department in misdirecting the original notice of allotment, but that said allowance was declined by said Department through a telegram received by your petitioner on the 15th day of February, 1896," is false.

The first application for an extension was made February 13 at 12 m., through Mr. Nailor, of Washington.

At the same time Mr. Nailor presented a letter which was written to him by William Graves, from New York, on the 12th day of February, 1896, which is as follows:

"WALL ST., MILLS BUILDING, NEW YORK.

"MY DEAR MR. NAILOR: I am among the fortunate bidders for \$4,500,000 Government 4s, and I am going to carry my negotiations to an issue, and of course every day counts, and I want this favor from someone to Sect'y Carlisle:

"*First.* Because all bids were supposed to have been forwarded on Saturday last, or Sunday, and due here Monday. My notice I did not receive, and on Monday I wired, but got no answer until the following day (Tuesday). *Gold* advanced, the bonds sold for less, and my notification of acceptance, marked 'duplicate,' came wrongly addressed, and it found me yesterday p. m., but only after my advising the letter carrier, whom I know, to hunt it for me, and I have the envelope to prove its clerical error. In view of this fact I am behind nearly two days, and quotations prove my loss to be at this writing over \$30,000.

"*I am, however, prepared to carry the loss and pay my deposit of, say one million and over, on Saturday.*

"But I want all this explained to Hon. J. G. Carlisle by you in person, if you will do so, and ask him to wire or write this extension until *Wednesday*, 11 a. m., for me to make my 20 p/c. payment, if I desire the privilege, but *I am, however, prepared to meet any bid, as required under circular of Jan'y 15th, 1896.*

"Kind regards to you and yours.

"Most sincerely,

"WILLIAM GRAVES."

It appears from this letter, first, that petitioner was asking a favor; second, that he was a mere speculator, and did not have the gold to carry out his contract, but was dependent upon hawking his bid about on the market; third, that he did not apply immediately upon receipt of the duplicate notice for an extension, as stated in paragraph 9 of his petition, but waited until the next day, and then wrote to Mr. Nailor and made his application through him; fourth, that according to his own assertions he had not suffered by not receiving the notice, so far as impairing his ability to carry out his contract was concerned, but only as a speculator, for he distinctly says that, notwithstanding what had happened, "*I am, however, prepared to carry the loss and pay my deposit of, say, one million and over, on Saturday.*" * * * "*I am, however, prepared to meet my bid as required under circular of January 15, 1896.*"

No extension was promised or granted.

On February 13, 1896, said Graves wrote to affiant stating that he had heard from Mr. Nailor; that he had gone to the subtreasury that day preparatory to depositing the 20 per cent in accordance with his bid, and asking *that the bonds be delivered to the subtreasury to be given to him upon anticipated payments being made*, including the first 20 per cent payment.

Thus, after failing to get an extension of time, petitioner next sought to have the contract so modified that the bonds should be delivered in New York before any payment had been made.

To this letter, which was received February 14, 1896, an immediate answer was sent as follows:

"Letter received. Bonds are issued only upon receipt at this office of the original certificate representing payment therefor."

During the morning of the day the first installment of 20 per cent was due, February 15, 1896, Mr. Graves made another application, by telephonic message, for an extension of the time. To this request a reply by telegram was sent immediately as follows:

"Application for extension is declined by Department."

Said Graves sent to affiant a telegram which was received at 11.50 a. m., February 15, 1896, which is as follows:

"Under your circulars of February 6th, 9th, and 15th, you say 20 per cent may be deposited for the first payment by subscribers to the new bonds. Reserving this privilege as you do without demanding this payment, we tender you this proposition, agreeing to deposit 20 per cent toward a subscription to any and all bonds which may be considered by you a default on this date, our bid being \$1.13½, giving you satisfactory financial indorsements by Wednesday, February 19th, 1896, of our ability to fulfill this agreement.

"(Signed)

"WILLIAM GRAVES AND ASSOCIATES."

This telegram is withheld and not mentioned in the petition.

As appears above, Graves had been fully advised that his bid would have no effect if he failed to pay the first installment on or before February 15. He knew that all bids on bonds not thus consummated would be regarded as in default. With knowledge of these facts he in the above telegram *made a new bid on all the bonds which affiant might consider in default, which included his own*, and he thus bid a premium of 13½ per cent upon bonds which had been awarded to him at a premium of 15.3391 per cent.

Graves did not make any deposit on this new bid, but asked until Wednesday, February 19, to give satisfactory financial indorsements.

No notice was taken by the Department of this second bid and subsequent communications by Graves in regard to it, for the reason that, according to the terms of the circular under which the bonds were offered to the public, the time for receiving bids had expired on February 5, 1896, at 12 o'clock m., and no bids made or received after that time had been or could be properly considered. Bids had been made in good faith by responsible parties within the designated time, and in accordance with the terms of the circular, for the whole of the proposed loan, and the Department had in every case declined to consider any bid which was not so made.

After making his second bid Graves, on February 15, wrote a letter to affiant, a copy of which is Exhibit H to the petition. Having failed to get the time for payment extended, having failed to procure the bonds to be sent to New York before he deposited the gold, he, in the letter last referred to, undertook to predicate a right under his original bid upon alleged clerical errors and delays in the Treasury Department, and to reenforce his claim by insinuations and threats.

In paragraph 11 of the petition it is stated that the telegram of February 14 above set out, a copy of which is made Exhibit I to the petition, was in reply to the petitioner's letter of *the following day*, February 15. The letter was written February 15, and was not received in Washington until February 16, whereas the telegram referred to was sent and was received by Graves on February 14, and was in reply to his letter of February 13, asking that the bonds be sent in advance of the deposit of the gold.

In paragraph 12 of the petition it is said that on February 15, 1896, petitioner notified the Department by letter that he did not want or desire an extension of the time within which to comply with his bid, informing the Department that the gold had been provided by him on the Saturday preceding with which to meet and pay the installment on his allotment. What purports to be a copy of this letter is attached to the bill marked Exhibit J. In addition to suppressing and falsifying material portions of the history of this transaction, as above set forth, said Graves in his petition imposes upon the court a garbled letter. His letter of February 15, as it appears in Exhibit J, and his letter as it really was, are here set out in parallel columns:

EXHIBIT J.

My subscription to \$4,500,000 of the new Government bonds was made in good faith, and I am prepared to live up to the letter of the transaction.

Deliver me the bonds and I will pay for them as agreed. I received a telegram to-day as follows, sent from Washington at 11.14 a. m.: "Application for extension is declined by Department."

(Signed) W. E. CURTIS,
Ass't Sec'y.

Now, I do not want an extension, neither do I ask for it; but I think it due by law and equity that one person be given equal chances with another, and that I be made good financially and because of the forfeit of my good name in not taking my bonds, because of a clerical error on your part in not properly addressing my letter.

Again, the United States Government can not afford to lose \$239,000, which is the sum of money the Government will get from me over the next bidder, provided you make the allotment to such bidder in place of getting the market quotations. I can not afford to have myself and family sacrificed for this transaction, neither will I do so.

I refer you to the Bank of California that the gold was promised me on Tuesday to meet my demands, to Messrs. Seligman, to the ex-Secretary, Fairchild, and others upon demand from you; but, even though the newspapers quoted the accepted bidders, the bank absolutely refused to continue until my notice from you was in hand.

It appears from his genuine letter that he could not get the gold in the Bank of California until he produced a letter of acceptance from affiant; that at the time he received the letter the bonds had gone down so that he could not use them as collateral at the price he had bid; that he was on the market as a borrower, and that what prevented him from complying with his bid was "the drop in values after your (my) notice came to hand."

In the thirteenth paragraph petitioner states that on the 17th day of February he learned of a move by the Treasury Department to deprive him of his allotment of bonds, and that he sent a written protest against it, a copy of which is set out as Exhibit K. The last sentence of this protest is as follows:

"I protest against any such action, if contemplated, and I demand the right to have the offer made by Graves and associates considered favorably if the bid is above others at hand."

The above statement that this protest applied to the original allotment of bonds to petitioner is palpably false. The closing sentence of the protest above quoted shows that Graves referred to his bid of \$1.13½, made by telegram of February 15, for all bonds upon which there had been a default.

ORIGINAL LETTER.

My subscription to the sum of \$4,500,000 bonds was made in good faith, and I am prepared to live up to the letter of my bid.

Deliver me the bonds and I will pay for them as agreed. I enclose to Mr. Nailor the sealed letter from you that you may see it, because of this delay, caused by a clerical error, I could not get my gold from the Bank of California, to whom I refer you, until I produced the letter of acceptance from you; then the bonds went down and I could not collateral them at the price, and I was on the market as a borrower. To-day I received a telegram signed W. E. Curtis, Asst. Secty., as follows, sent at 11.14 a. m.:

"Application for extension is declined by Department."

Now, I do not want an extension; I simply want the time made good to me which was lost by this error, and in law and equity I am entitled to it, and I know you will not want the Government to lose \$239,900, which is the sum of money I pay in excess of other bids, unless you sell them in open market. I refer you to the Bank of California of this city, to Seligman & Co., Von Hoffman & Co., Ladenburg, Thalman & Co., and others, as an evidence of my ability to carry this transaction to an issue, and the Bank of California refused to continue on Monday until I presented my letter from you.

Now, my honorable Secty., do not allow the Government to lose this just sum; do not allow me to lose my good name because of my failure to meet conditions over which I had no control—namely, the drop in values after your notice came to hand, but on the other hand give me what you are in a position to, in justice, allow, and believe me,

Very truly, yours.

This further appears from a letter sent to affiant by Graves, as follows

“NEW YORK, *February 17, 1896.*

“I forwarded your Department a telegraphic offer on Saturday morning, which I now verify by mail, with the correction by substitution of January, the error being that we mentioned February, in speaking of circulars, the 6th, 9th, and 15th, 1896. We shall be pleased to have this proposition entertained by your Department that we may enter into further negotiations should it meet with favor.”

This letter also was suppressed by petitioner in his statement of facts. It shows that on February 17 petitioner was insisting on his second bid on the bonds upon which he had defaulted on his first bid.

To this letter affiant made no reply. Petitioner then, on February 18, *and not on February 17*, as is falsely set out in paragraph 13 and Exhibit L of the petition, sent a telegram to affiant, as follows:

“Will you accept payment for the bonds allotted to me? Kindly wire answer.”

On the same date, February 18, he wrote to affiant a letter, as follows:

“Mr. Thalman, of Ladenburg, Thalman & Co., was at your Treasury Department in this city on Saturday a. m., the 15th, to deposit the gold for payment of 20 p. c., in full for allotment of bonds due under your acceptance of our bid for \$4,500,000. I wired you this day, which I now confirm, ‘Will you accept payment for bonds allotted to me? Wire answer.’”

In the fifteenth paragraph of the petition it is stated that on February 18, 1896, petitioner sent a telegram to affiant, saying that Ladenburg, Thalman & Co. had offered to deposit gold in the subtreasury at New York City in accordance with the terms of petitioner's bid, and that such offer had been refused. The telegram referred to was sent on February 19, and not on February 18; but said Graves carefully refrains from averring in his petition that any such offer to deposit gold was *in fact* made, as is falsely stated in said telegram. Affiant is informed and believes that the said parties did not offer the subtreasury any gold on account of the Graves allotment, but proposed as a condition to their depositing any sum whatever on his account that the assistant treasurer at New York should accept from Graves a power of attorney for them to indorse Graves's name on the certificates of deposit. This would have been in effect a transfer of the entire bid, which was contrary to the regulations of the Department and to its practice in all cases, and the proposal was therefore properly declined.

In the said paragraph 15 petitioner says that on the same day he wrote to affiant in relation to said bid, referring to his original bid and the delivery of the gold to be paid for the bonds. This averment is untrue, for the letter written by him on February 18 has reference to his bid by telegram for bonds upon which there had been a default, and not to the bid upon which he said he offered to make the deposit and upon which all of his alleged rights are predicated.

Affiant is informed and believes that the statement made in paragraph 17 of the petition, that petitioner on March 31, 1896, made a tender to the subtreasury at New York, is absolutely false. He may have said that he would pay the gold upon the production of the bonds, but affiant is informed and believes that he made no tender at any time.

Affiant further states that the averment made in paragraph 18 of the petition, that petitioner was at all times after he was notified of his allotment of bonds ready, willing, and able to pay for said bonds according to the terms and conditions of his said bid under the circular letters of the Treasury Department, is not true, and that it is not true that he had the gold ready to pay into the subtreasury in accordance with the terms of his bid; that it is not true that he at any time made a tender in payment of any installments due under his bid.

Affiant says it is untrue that the action of the Treasury Department in any of the matters relating to the transaction with petitioner was for the purpose of hindering or preventing petitioner from carrying out his bid, and says that the only thing that prevented petitioner from getting his bonds was that he did not comply with his contract.

According to the terms of the circular under which his bid was made, the first installment of 20 per cent and accrued interest was required to be paid “upon receipt of notice of acceptance of bids,” and if his bid was in fact made in good faith he of course expected to comply with that requirement. By the terms of the notice of acceptance sent to him, however, the time of payment was extended until and including the 15th of February, 1896, notwithstanding which he failed to make any deposit whatever on account of his bid.

Affiant further says that the statement in paragraph 19 that the requirement that petitioner deposit gold in the subtreasury at New York, and transmit the original certificate of such deposit to the Treasury Department at Washington, was and is a requirement not exacted of other bidders, is untrue.

Affiant further states that the averment in paragraph 20 of the petition that cer-

tain allotments of said bonds were sent to New York, and that in this certain bidders were favored, is untrue. It is not true that any bonds were sent to the subtreasury in New York and were there delivered as the gold was deposited.

The statement in paragraph 21 that the Treasury Department accepted assignments of bids and powers of attorney in case of other successful bidders is untrue.

The statement in paragraph 22 that the Secretary of the Treasury could not impose reasonable conditions for the forfeiture of bids on account of noncompliance with them within a stipulated time ignores the whole purpose for which the loan was undertaken. It was necessary that the loan should be successfully carried through. This could not be done unless a time was fixed for payment, with a condition that the rights of accepted bidders should be forfeited by noncompliance. It was necessary that the loans should be carried through in such a way as to prevent gold already in the Treasury from being drawn out of it. It was desirable that the loan should be as widely distributed as possible and among bona fide bidders. None of these ends could have been accomplished if persons had been permitted to bid with no limitations as to time for making payments, thus being enabled to keep the Government from realizing on the loan except at their pleasure and turning the whole scheme into a mere speculation.

The statement in paragraph 24 that there are still in the Treasury Department of the said issue of bonds undelivered and undisposed of an amount of bonds exceeding \$5,000,000 is untrue. All the bonds of said \$100,000,000 issue have been sold to *bona fide* purchasers, in accordance with the terms of the circulars offering the bonds to the public and the bids made thereunder. Some bonds have not been delivered to the purchasers, but all of them were disposed of before this petition was filed and became the property of *bona fide* purchasers who have the right to demand their delivery upon paying installments not yet due.

JOHN G. CARLISLE.

Sworn to before me and subscribed in my presence this 24th day of April, 1896.

———, *Notary Public.*

In the supreme court of the District of Columbia. Filed May 4, 1896. J. R. Young, clerk.

THE UNITED STATES, EX REL. WILLIAM GRAVES,
v.

JOHN G. CARLISLE, SECRETARY OF THE TREASURY.

} At law, No. 39805.

And now comes the relator, the above-named William Graves, and withdraws his petition and discontinues the above-entitled cause.

ENOCH TOTTEN,
JAMES M. KERR,
For Relator.

DISTRICT OF COLUMBIA, ss:

I, John R. Young, clerk of the supreme court of the District of Columbia, do hereby certify the foregoing to be a true copy of the original order to enter the above-entitled cause discontinued, filed in said court on the 4th day of May, A. D. 1896.

In testimony whereof I hereunto subscribe my name and affix the seal of said court this 3d day of June, A. D. 1896.

[SEAL.]

JOHN R. YOUNG,
Clerk Supreme Court District of Columbia.

UNITED STATES 4 PER CENT BONDS (COUPON), JANUARY, 1894.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States redeemable after the 1st of July, 1907, according to daily quotations in the New York market during the month of January, 1894.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
1	Stock Exchange closed.		<i>Per cent.</i>
2	112 @ 113	112.4890	2.880
3	112 @ 113	112.4731	2.881
4	112½ @ 113	112.7171	2.861
5	112½ @ 113	112.5812	2.872
6	112¾ @ 113½	113.0077	2.836
7	Sunday.		
8	112¾ @ 113½	113.0483	2.832
9	112¾ @ 113½	113.0373	2.833
10	112¾ @ 113½	112.9639	2.339
11	113 @ 113½	114.0154	2.835
12	113 @ 113½	113.1295	2.825
13	113¼ @ 113½	113.2435	2.815
14	Sunday.		
15	113 @ 113½	113.0966	2.827
16	112¾ @ 113½	112.9606	2.838
17	112¾ @ 113½	112.9497	2.839
18	112½ @ 113½	112.6887	2.861
19	112¾ @ 113½	112.9277	2.840
20	112¾ @ 113½	112.9168	2.841
21	Sunday.		
22	112¾ @ 113½	113.0824	2.827
23	113½ @ 114	113.5089	2.791
24	113½ @ 114½	113.7479	2.771
25	113¾ @ 114½	113.8620	2.762
26	113¾ @ 114½	113.8510	2.762+
27	113¾ @ 114½	113.8401	2.763
28	Sunday.		
29	113¾ @ 114½	113.8182	2.764
30	113¾ @ 114½	113.8072	2.765
31	113½ @ 114½	113.6712	2.776
Average.....	113.3389	113.1708	2.821

Jos. S. McCoy, *Government Actuary.*

UNITED STATES TREASURY DEPARTMENT, *February 1, 1894.*

UNITED STATES 5 PER CENT BONDS OF 1904 (COUPON), FEBRUARY, 1894.

Table showing prices of and rates of interest realized to investors in the United States 5 per cent securities of 1904, redeemable after February 1, 1904, according to daily quotations in the New York market.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
19	117¼ @ 117½	117.1909	<i>Per cent.</i>
20	117¼ @ 117½	117.1772	2.996
21	117¾ @ 117½	117.2260	2.997
22	Stock Exchange closed.		2.991
23	117¾ @ 117½	117.1986	2.993
24	117¾ @ 117½	117.1849	2.994
25	Sunday.		
26	117¾ @ 117½	117.1575	2.996
27	117¾ @ 117½	117.1438	2.997
28	117¾ @ 117½	117.1301	2.998
Average	117.4844	117.1761	2.995

Jos. S. McCoy, *Government Actuary.*

UNITED STATES TREASURY DEPARTMENT, *March 1, 1894.*

UNITED STATES 4 PER CENT BONDS (COUPON), NOVEMBER, 1894.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States, redeemable after July 1, 1907, according to daily quotations in the New York market, during the month of November, 1894.

Date.	Market price, including accrued interest (flat).	Mean price not including accrued interest (net).	Rates of interest realized to investor.
			<i>Per cent.</i>
1	115½ @ 116	115.4103	6.571
2	115¾ @ 116¼	115.6493	2.550
3	115¾ @ 116¼	115.6384	2.551
4	Sunday.		
5	115¾ @ 116¼	115.6789	2.547
6	Stock Exchange closed.		
7	115½ @ 116	115.3445	2.575
8	115½ @ 116	115.3336	2.576
9	115½ @ 116	115.3226	2.576
10	115¾ @ 116	115.1866	2.588
11	Sunday.		
12	115 @ 115¾	114.9147	2.611
13	114½ @ 115½	114.5288	2.644
14	114 @ 115	114.0178	2.688
15	114½ @ 115	114.1318	2.678
16	114 @ 115	113.9959	2.689
17	114 @ 114¾	113.8599	2.701
18	Sunday.		
19	114 @ 115	113.9630	2.691
20	114 @ 115	113.9521	2.692
21	114 @ 115	113.9411	2.693
22	114 @ 115	113.9303	2.693
23	114 @ 115	113.9192	2.694
24	115 @ 115½	114.6582	2.630
25	Sunday.		
26	115 @ 115½	114.6363	2.631
27	115½ @ 116	115.1253	2.589
28	115¾ @ 116¼	115.8644	2.568
29	Stock Exchange closed.		
30	115¾ @ 116¼	115.3425	2.570
Average	115.2422	114.7436	2.625

Jos. S. McCoy, *Government Actuary.*

UNITED STATES TREASURY DEPARTMENT, *December 1, 1894.*

UNITED STATES 5 PER CENT BONDS (COUPON), NOVEMBER, 1894.

Table showing prices of and rates of interest realized to investors in the 5 per cent securities of the United States, redeemable after February 1, 1904, according to daily quotations in the New York market during the month of November, 1894.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
			<i>Per cent.</i>
1	119 @ 119 $\frac{1}{4}$	119.2500	2.647
2	119 @ 119 $\frac{1}{4}$	119.3613	2.634
3	119 @ 119 $\frac{1}{4}$	119.3476	2.635
4	Sunday.		
5	119 $\frac{1}{4}$ @ 119 $\frac{1}{4}$	119.4452	2.623
6	Stock Exchange closed.		
7	119 $\frac{1}{2}$ @ 120	119.6678	2.597
8	119 $\frac{1}{2}$ @ 120	119.6541	2.598
9	119 $\frac{1}{2}$ @ 120	119.6404	2.599
10	119 $\frac{1}{4}$ @ 119 $\frac{3}{4}$	119.3767	2.628
11	Sunday.		
12	118 $\frac{1}{2}$ @ 119 $\frac{3}{8}$	118.7868	2.672
13	118 $\frac{1}{2}$ @ 119 $\frac{1}{2}$	118.5856	2.714
14	118 $\frac{1}{2}$ @ 118	118.1344	2.764
15	117 $\frac{1}{2}$ @ 118	117.5582	2.828
16	117 $\frac{1}{2}$ @ 118 $\frac{1}{2}$	117.7945	2.801
17	117 $\frac{1}{2}$ @ 118 $\frac{1}{4}$	117.6558	2.816
18	Sunday.		
19	117 $\frac{1}{2}$ @ 118 $\frac{1}{2}$	117.7534	2.804
20	117 $\frac{3}{4}$ @ 118 $\frac{1}{2}$	117.8647	2.791
21	117 $\frac{3}{4}$ @ 118 $\frac{1}{2}$	117.5510	2.792
22	117 $\frac{3}{4}$ @ 118 $\frac{1}{2}$	117.8373	2.793
23	117 $\frac{3}{4}$ @ 118 $\frac{1}{4}$	117.6986	2.803
24	117 $\frac{3}{4}$ @ 118 $\frac{1}{4}$	117.6849	2.809
25	Sunday.		
26	118 @ 118 $\frac{3}{8}$	117.8400	2.790
27	118 $\frac{3}{4}$ @ 119 $\frac{1}{4}$	118.6438	2.700
28	118 $\frac{3}{4}$ @ 119 $\frac{1}{4}$	118.6301	2.701
29	Stock Exchange closed.		
30	119 @ 119 $\frac{1}{2}$	118.8527	2.675
Average	118.7370	118.5383	2.718

UNITED STATES TREASURY DEPARTMENT, December, 1894.

Jos. S. McCoy, Government Actuary.

UNITED STATES 4 PER CENT BONDS (COUPON), JANUARY, 1895.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States, redeemable after July 1, 1907, according to daily quotations in the New York market during the month of January, 1895.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
1	Stock Exchange closed.		<i>Per cent.</i>
2	113 @ 113 $\frac{1}{2}$	113.2390	2.745
3	113 $\frac{1}{2}$ @ 113 $\frac{3}{4}$	113.4781	2.724
4	113 @ 113 $\frac{3}{4}$	113.3421	2.735
5	113 @ 113 $\frac{3}{4}$	113.3312	2.736
6	Sunday.		
7	113 @ 113 $\frac{3}{4}$	113.3092	2.738
8	113 @ 113 $\frac{3}{4}$	113.2983	2.739
9	113 @ 113 $\frac{3}{4}$	113.2873	2.739
10	113 @ 113 $\frac{3}{4}$	113.2764	2.740
11	113 @ 113 $\frac{3}{4}$	113.2655	2.741
12	113 @ 113 $\frac{3}{4}$	113.2545	2.742
13	Sunday.		
14	113 @ 113 $\frac{3}{4}$	113.2325	2.743
15	113 @ 113 $\frac{3}{4}$	113.2216	2.744
16	113 @ 113 $\frac{3}{4}$	113.2106	2.744
17	113 @ 113 $\frac{3}{4}$	113.1997	2.745
18	113 @ 113 $\frac{3}{4}$	113.1887	2.745
19	113 @ 113 $\frac{3}{4}$	113.1777	2.746
20	Sunday.		
21	113 @ 113 $\frac{3}{4}$	113.1558	2.748
22	113 @ 113 $\frac{3}{4}$	113.1449	2.749
23	113 @ 113 $\frac{3}{4}$	113.1339	2.750
24	113 @ 113 $\frac{3}{4}$	113.1229	2.751
25	113 @ 113 $\frac{3}{4}$	113.1120	2.751
26	113 @ 113 $\frac{3}{4}$	112.9760	2.763
27	Sunday.		
28	112 $\frac{3}{4}$ @ 113	112.5791	2.798
29	112 $\frac{1}{2}$ @ 112 $\frac{3}{4}$	112.3182	2.821
30	112 $\frac{1}{2}$ @ 113	112.4322	2.811
31	112 @ 112 $\frac{1}{2}$	111.9212	2.855
Average.....	113.2548	113.0849	2.756

JOS. S. MCCOY, *Government Actuary.*

UNITED STATES TREASURY DEPARTMENT, *February 1, 1895.*

UNITED STATES 5 PER CENT BONDS (COUPON), JANUARY, 1895.

Table showing prices of and rates of interest realized to investors in the 5 per cent securities of the United States, redeemable after February 1, 1904, according to daily quotations in the New York market during the month of January, 1895.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
1	Stock Exchange closed.		<i>Per cent.</i>
2	117 @ 117½	116.4007	2.938
3	116¾ @ 117	116.0120	2.980
4	116½ @ 116¾	115.7483	3.010
5	116½ @ 117	115.9221	2.990
6	Sunday.		
7	116½ @ 117	115.8322	2.999
8	116¾ @ 117	116.1310	2.964
9	116¾ @ 117	115.9923	2.980
10	117 @ 117	116.1661	2.959
11	117 @ 117	116.2774	2.946
12	117 @ 117	116.2637	2.947
13	Sunday.		
14	117 @ 117½	116.1113	2.964
15	117 @ 117½	116.0976	2.965
16	116¾ @ 117	115.8339	2.995
17	116¾ @ 116¾	115.7577	3.003
18	116¾ @ 117	115.7440	3.005
19	116½ @ 116¾	115.5428	3.027
20	Sunday.		
21	116½ @ 117	115.6404	3.015
22	116½ @ 117	115.6267	3.016
23	116¾ @ 117	115.7380	3.003
24	116¾ @ 116¾	115.5368	3.026
25	116½ @ 116¾	115.4606	3.034
26	116½ @ 116¾	115.1344	3.072
27	Sunday.		
28	116 @ 116½	115.0445	3.082
29	115¾ @ 116½	114.7808	3.112
30	115¾ @ 116½	114.7671	3.113
31	115¾ @ 116	114.6284	3.129
Average	116.7476	115.6996	3.010

Jos. S. McCoy, *Government Actuary.*

UNITED STATES TREASURY DEPARTMENT, *February 1, 1895.*

UNITED STATES 4 PER CENT BONDS (COUPON), FEBRUARY, 1895.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States redeemable after July 1, 1907, according to daily quotations in the New York market during the month of February, 1895.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
			<i>Per cent.</i>
1	111 $\frac{1}{2}$ @ 112 $\frac{1}{2}$	111.7228	2.847
2	111 @ 111 $\frac{1}{2}$	111.0243	2.937
3	Sunday.		
4	110 @ 111	110.1274	3.018
5	110 @ 111	110.1164	3.019
6	110 $\frac{1}{2}$ @ 111	110.2305	3.009
7	110 @ 110 $\frac{3}{4}$	109.9695	3.032
8	110 @ 111	110.0836	3.022
9	110 @ 110 $\frac{3}{4}$	109.9476	3.034
10	Sunday.		
11	110 $\frac{1}{2}$ @ 110 $\frac{3}{4}$	109.9882	3.030
12	110 @ 110 $\frac{3}{4}$	109.9147	3.037
13	110 $\frac{3}{8}$ @ 110 $\frac{3}{4}$	110.0913	3.020
14	110 $\frac{3}{8}$ @ 110 $\frac{3}{4}$	110.0803	3.021
15	110 $\frac{3}{8}$ @ 111	110.3193	2.999
16	110 $\frac{1}{2}$ @ 111	110.3709	2.994
17	Sunday.		
18	110 $\frac{7}{8}$ @ 111	110.4115	2.990
19	111 $\frac{1}{8}$ @ 111 $\frac{1}{2}$	110.6505	2.968
20	111 $\frac{1}{2}$ @ 112	111.2021	2.917
21	112 @ 112 $\frac{3}{4}$	111.8161	2.862
22	Stock Exchange closed.		
23	112 $\frac{1}{2}$ @ 113	112.1692	2.829
24	Sunday.		
25	112 $\frac{1}{2}$ @ 113	112.1473	2.831
26	112 $\frac{1}{2}$ @ 113	112.1363	2.832
27	112 $\frac{1}{4}$ @ 113	112.0003	2.844
28	112 $\frac{1}{4}$ @ 113	111.9894	2.845
Average	111.2908	110.8048	2.955

Jos. S. McCoy, Government Actuary.

UNITED STATES TREASURY DEPARTMENT, March 1, 1895.

UNITED STATES 5 PER CENT BONDS (COUPON), FEBRUARY, 1895.

Table showing prices of and rates of interest realized to investors in the 5 per cent securities of the United States redeemable after February 1, 1904, according to daily quotations in the New York market during the month of February, 1895.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
			<i>Per cent.</i>
1	114 ³ / ₈ @ 114 ⁵ / ₈	114.5000	3.144
2	114 ¹ / ₂ @ 114 ³ / ₄	114.4863	3.145
3	Sunday.		
4	114 ¹ / ₂ @ 114 ³ / ₄	114.5839	3.133
5	114 ¹ / ₂ @ 114 ³ / ₄	114.5077	3.141
6	114 ¹ / ₂ @ 114 ³ / ₄	114.5565	3.135
7	114 ¹ / ₂ @ 114 ³ / ₄	114.5428	3.136
8	114 ³ / ₄ @ 115	114.7791	3.108
9	114 ³ / ₄ @ 115 ¹ / ₄	114.8904	3.394
10	Sunday.		
11	114 ³ / ₄ @ 115	114.7380	3.115
12	114 ³ / ₄ @ 115 ¹ / ₂	114.7868	3.101
13	114 ³ / ₄ @ 115	114.7106	3.113
14	115 @ 115 ¹ / ₂	114.9469	3.055
15	115 @ 115 ¹ / ₂	115.0582	3.079
16	115 ¹ / ₂ @ 115 ¹ / ₂	115.1070	3.065
17	Sunday.		
18	115 ¹ / ₂ @ 115 ¹ / ₂	115.0796	3.067
19	115 ¹ / ₂ @ 115 ¹ / ₂	115.0659	3.069
20	115 ¹ / ₂ @ 115 ³ / ₄	115.2397	3.048
21	116 @ 116 ¹ / ₄	115.8510	2.975
22	Stock Exchange closed.		
23	116 ¹ / ₈ @ 116 ¹ / ₂	116.0111	2.955
24	Sunday.		
25	116 @ 116 ¹ / ₈	115.7337	2.987
26	116 @ 116 ¹ / ₈	115.9075	2.966
27	116 @ 116 ¹ / ₈	115.7063	2.989
28	115 ⁷ / ₈ @ 116 ¹ / ₈	115.6301	2.997
Average.....	115.2446	115.0617	3.071

UNITED STATES 4 PER CENT BONDS OF 1907 (COUPON), JANUARY, 1896.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States redeemable after July 1, 1907, according to daily quotations in the New York market during the month of January, 1896.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
1	Stock Exchange closed.		<i>Per cent.</i>
2	109 @ 111	109.9890	2.971
3	109 @ 111	109.9781	2.972
4	109 @ 111	109.9671	2.973
5	Sunday.		
6	108½ @ 111	109.6952	2.999
7	108½ @ 111	109.6842	3.000
8	108½ @ 111	109.6733	3.001
9	109 @ 111	109.9123	2.978
10	109 @ 111	109.9014	2.978
11	109 @ 111	109.8904	2.979
12	Sunday.		
13	109 @ 110½	109.6185	3.005
14	109 @ 111	109.8575	2.982
15	109 @ 111	109.8466	2.983
16	109 @ 111	109.8356	2.984
17	109 @ 111	109.8247	2.984
18	109 @ 110½	109.5637	3.010
19	Sunday.		
20	109 @ 110½	109.5418	3.012
21	108½ @ 110½	109.2808	3.037
22	108½ @ 110½	109.2699	3.038
23	108½ @ 110½	109.2589	3.039
24	108½ @ 110½	109.2479	3.040
25	108½ @ 116½	109.2370	3.041
26	Sunday.		
27	108½ @ 110½	109.2151	3.042
28	108½ @ 110	108.9541	3.068
29	109 @ 110	109.1932	3.044
30	108½ @ 110	108.9322	3.070
31	108½ @ 110	108.9212	3.071
Average	109.7212	109.5496	3.012

JOS. S. MCCOY, *Government Actuary.*

UNITED STATES TREASURY DEPARTMENT, *April 10, 1896.*

UNITED STATES 5 PER CENT BONDS (COUPON) OF 1904, JANUARY, 1896.

Table showing prices of and rates of interest realized to investors in the 5 per cent securities of the United States, redeemable after February 1, 1904, according to daily quotations in the New York market during the month of January, 1896.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
			<i>Per cent.</i>
1	Stock Exchange closed.		
2	112½ @ 114	112.4007	3.247
3	112 @ 114	112.1370	3.254
4	112¾ @ 114	112.3108	3.260
5	Sunday.		
6	112 @ 114	112.0959	3.285
7	112¼ @ 114	112.2072	3.272
8	112½ @ 114	112.3185	3.257
9	112¾ @ 114	112.3048	3.259
10	112½ @ 114	112.2911	3.260
11	112¾ @ 114	112.2774	3.260
12	Sunday.		
13	112¼ @ 113½	111.8750	3.314
14	112¼ @ 112½	111.9863	3.298
15	112¾ @ 113½	112.0351	3.291
16	112¾ @ 113½	112.0214	3.293
17	112¾ @ 113½	112.0077	3.294
18	112¾ @ 113½	112.0565	3.287
19	Sunday.		
20	112¾ @ 113½	112.0291	3.290
21	112¾ @ 113½	111.8904	3.308
22	112¼ @ 113¼	111.6267	3.348
23	113 @ 113½	112.1130	3.277
24	113 @ 113½	112.0993	3.279
25	112½ @ 113½	111.8356	3.313
26	Sunday.		
27	112½ @ 113½	111.8082	3.316
28	112½ @ 113½	111.7945	3.317
29	112½ @ 113½	111.7808	3.319
30	113 @ 113½	112.0171	3.287
31	113 @ 113½	112.0034	3.288
Average.....	113.1010	112.0509	3.289

Jos. S. McCoy, *Government Actuary.*

UNITED STATES TREASURY DEPARTMENT, *April 10, 1896.*

UNITED STATES 4 PER CENT BONDS OF 1907 (COUPON), FEBRUARY, 1896.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States redeemable after July 1, 1907, according to daily quotations in the New York market during the month of February, 1896.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
			<i>Per cent.</i>
1	108½ @ 110	108.9103	3.072
2	Sunday.		
3	108 @ 110	108.6384	3.098
4	108 @ 109½	108.3774	3.124
5	108½ @ 109½	108.7414	3.088
6	109½ @ 111	109.7205	2.990
7	109 @ 111	109.5945	3.003
8	109 @ 111	109.5836	3.004
9	Sunday.		
10	109 @ 111	109.5616	3.006
11	109 @ 111	109.5507	3.006
12	Stock Exchange closed.		
13	109½ @ 111	109.7788	2.984
14	109½ @ 111	109.7678	2.985
15	109 @ 111	109.5068	3.010
16	Sunday.		
17	109½ @ 111	189.7349	2.987
18	109½ @ 111	109.7240	2.988
19	110 @ 111	109.9630	2.964
20	110 @ 111	109.9521	2.965
21	110 @ 111	109.9411	2.966
22	Stock Exchange closed.		
23	Sunday.		
24	110 @ 111	109.9082	2.969
25	110 @ 111	109.8973	2.970
26	110 @ 111	109.8863	2.971
27	110 @ 111	109.8753	2.971
28	110 @ 111	109.8644	2.972
29	110 @ 111	109.8534	2.973
Average	110.0761	109.5801	3.003

UNITED STATES TREASURY DEPARTMENT, May 2, 1896.

Jos. S. McCoy, Government Actuary.

UNITED STATES 5 PER CENT BONDS OF 1904 (COUPON), FEBRUARY, 1896.

Table showing prices of and rates of interest realized to investors in the 5 per cent securities of the United States, redeemable after February 1, 1904, according to daily quotations in the New York market during the month of February, 1896.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
			Percent.
1	111 @112	111.5000	3.355
2	Sunday.		
3	111 @112	111.4726	3.358
4	111½ @112	111.5214	3.351
5	111½ @112	111.6952	3.327
6	112 @114	112.9315	3.162
7	112½ @114	113.1678	3.130
8	113 @114	113.4041	3.098
9	Sunday.		
10	112½ @114	113.1267	3.133
11	112¾ @114	113.2380	3.118
12	Stock Exchange closed.		
13	112¾ @114	113.2106	3.121
14	112½ @113½	112.8219	3.172
15	112 @112½	112.1832	3.255
16	Sunday.		
17	112 @113	112.2808	3.243
18	112¾ @113½	112.8921	3.160
19	113¼ @113½	113.1284	3.129
20	113½ @114	113.3647	3.096
21	113¾ @114	113.4135	3.089
22	Stock Exchange closed.		
23	Sunday.		
24	113¼ @114	113.3095	3.102
25	113½ @114	113.4212	3.086
26	113¼ @114	113.2825	3.104
27	113¼ @114	113.2688	3.105
28	113¼ @114	113.2557	3.107
29	113 @114	113.1164	3.125
Average	113.0217	112.8263	3.171

UNITED STATES TREASURY DEPARTMENT, May 2, 1896.

Jos. S. McCoy, Government Actuary.

UNITED STATES 4 PER CENT BONDS OF 1907 (COUPON), MARCH, 1896.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States redeemable after July 1, 1907, according to daily quotations in the New York market during the month of March, 1896.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
1	Sunday.		Per cent.
2	109½ @ 111	109.5815	3.000
3	109½ @ 111	109.5705	3.000
4	109½ @ 111	109.5596	3.001
5	109½ @ 111	109.5486	3.002
6	109½ @ 111	109.5377	3.003
7	110⅞ @ 111½	110.2142	2.936
8	Sunday.		
9	110 @ 112½	110.0048	2.956
10	110 @ 111⅝	109.9938	2.957
11	110 @ 111⅝	109.9829	2.958
12	110 @ 111⅝	109.9719	2.959
13	111 @ 111⅝	110.2735	2.929
14	110½ @ 111½	110.2000	2.936
15	Sunday.		
16	110½ @ 111½	110.1781	2.938
17	110½ @ 111½	110.1671	2.939
18	110½ @ 111½	110.1562	2.940
19	110½ @ 111½	110.1452	2.941
20	110½ @ 111½	110.1342	2.941
21	110½ @ 111½	110.1233	2.942
22	Sunday.		
23	110½ @ 111½	110.1014	2.944
24	110½ @ 111	109.8404	2.970
25	110½ @ 111	109.8295	2.971
26	110½ @ 111½	110.0685	2.947
27	110½ @ 111½	110.0575	2.948
28	110⅞ @ 111½	109.8591	2.967
29	Sunday.		
30	110½ @ 111	109.7747	2.975
31	110½ @ 111½	110.0137	2.951
Average.....	110.7812	109.9572	2.960

JOS. S. MCCOY, Government Actuary.

UNITED STATES TREASURY DEPARTMENT, May 29 1896.

UNITED STATES 4 PER CENT BONDS OF 1925 (COUPON), MARCH, 1896.

Table showing prices of and rates of interest realized to investors in the 4 per cent securities of the United States redeemable after February 1, 1925, according to daily quotations in the New York market during the month of March, 1896.

Date.	Market price including accrued interest (flat).	Mean price not including accrued interest (net).	Rates of interest realized to investors.
1	Sunday.		<i>Per cent.</i>
2	116 $\frac{1}{2}$ @ 116 $\frac{1}{2}$	116.2962	3.141
3	116 $\frac{3}{8}$ @ 116 $\frac{1}{2}$	116.3478	3.138
4	116 $\frac{1}{2}$ @ 116 $\frac{1}{2}$	116.0868	3.150
5	116 $\frac{3}{4}$ @ 117	116.5134	3.130
6	117 @ 117 $\frac{1}{8}$	116.6899	3.122
7	117 $\frac{1}{4}$ @ 117 $\frac{3}{8}$	116.9289	3.110
8	Sunday.		
9	117 @ 117 $\frac{1}{4}$	116.7195	3.120
10	117 @ 117 $\frac{1}{4}$	116.7086	3.121
11	116 $\frac{7}{8}$ @ 117	116.5101	3.130
12	116 $\frac{3}{4}$ @ 116 $\frac{7}{8}$	116.3741	3.136
13	116 $\frac{7}{8}$ @ 117	116.4882	3.131
14	116 $\frac{3}{4}$ @ 117	116.4147	3.134
15	Sunday.		
16	116 $\frac{3}{4}$ @ 117	116.3928	3.135
17	116 $\frac{3}{4}$ @ 117	116.3818	3.136
18	116 $\frac{3}{4}$ @ 117	116.3709	3.136
19	116 $\frac{3}{4}$ @ 116 $\frac{7}{8}$	116.2974	3.140
20	116 $\frac{3}{8}$ @ 116 $\frac{7}{8}$	116.2240	3.143
21	116 $\frac{3}{8}$ @ 116 $\frac{7}{8}$	116.2130	3.144
22	Sunday.		
23	116 $\frac{1}{2}$ @ 116 $\frac{1}{2}$	116.0661	3.151
24	116 $\frac{3}{8}$ @ 116 $\frac{7}{8}$	116.1801	3.145
25	116 $\frac{3}{8}$ @ 116 $\frac{7}{8}$	116.1692	3.146
26	116 $\frac{3}{8}$ @ 116 $\frac{7}{8}$	116.1582	3.146
27	116 $\frac{3}{4}$ @ 117	116.2723	3.141
28	116 $\frac{3}{8}$ @ 116 $\frac{1}{2}$	116.0738	5.150
29	Sunday.		
30	116 $\frac{3}{8}$ @ 116 $\frac{1}{2}$	116.0519	3.151
31	116 $\frac{3}{8}$ @ 116 $\frac{1}{2}$	116.0409	3.152
Average.....	116.8693	116.3450	3.138

UNITED STATES 5 PER CENT BONDS (COUPON) OF 1904, MARCH, 1896.

Table showing prices of and rates of interest realized to investors in the 5 per cent securities of the United States, redeemable after February 1, 1904, according to daily quotations in the New York market during the month of March, 1896.

Date.	Market price, including accrued interest (flat).	Mean price, not including accrued interest (net).	Rates of interest realized to investors.
1	Sunday.		<i>Per cent.</i>
2	113 @ 114	113.0890	3.127
3	113 @ 114	113.0753	3.129
4	112½ @ 113½	112.5616	3.197
5	112½ @ 113½	112.5479	3.198
6	112½ @ 113½	112.6592	3.183
7	112½ @ 113½	112.6455	3.184
8	Sunday.		
9	112½ @ 113½	112.6181	3.187
10	112½ @ 113½	112.6044	3.188
11	112½ @ 113½	112.5907	3.189
12	112½ @ 113½	112.5771	3.191
13	112½ @ 113½	112.5634	3.192
14	112½ @ 113½	112.5497	3.193
15	Sunday.		
16	112½ @ 113½	112.5223	3.196
17	112½ @ 113½	112.5086	3.197
18	113 @ 113½	112.6199	3.182
19	113 @ 113½	112.6062	3.183
20	113 @ 113½	112.5925	3.184
21	113 @ 113½	112.5788	3.186
22	Sunday.		
23	113 @ 113½	112.5514	3.188
24	113½ @ 113¾	112.7877	3.156
25	113½ @ 113¾	112.7740	3.157
26	113½ @ 113¾	112.7603	3.158
27	113½ @ 113¾	112.7462	3.160
28	113½ @ 113¾	112.7329	3.161
29	Sunday.		
30	113 @ 113¾	112.5805	3.181
31	113½ @ 113¾	112.6918	3.165
Average	113.2644	112.6590	3.177

Jos. S. McCoy, Government Actuary.

UNITED STATES TREASURY DEPARTMENT, May 29, 1896.

United States notes and Treasury notes redeemed in gold.

Month.	United States notes.	Treasury notes.	Total.
1879.			
January.....	\$1,571,725	.....	\$1,571,725
February.....	909,249	.....	909,249
March.....	952,766	.....	952,766
April.....	699,773	.....	699,773
May.....	1,339,883	.....	1,339,883
June.....	2,503,302	.....	2,503,302
July.....	954,800	.....	954,800
August.....	981,400	.....	981,400
September.....	603,485	.....	603,485
October.....	740,295	.....	740,295
November.....	77,499	.....	77,499
December.....	122,359	.....	122,359
Total, 12 months.....	11,456,536	.....	11,456,536
1880.			
January.....	71,500	.....	71,500
February.....	72,080	.....	72,080
March.....	43,020	.....	43,020
April.....	16,000	.....	16,000
May.....	51,000	.....	51,000
June.....	47,200	.....	47,200
July.....	25,000	.....	25,000
August.....	22,000	.....	22,000
September.....	150,000	.....	150,000
October.....	9,000	.....	9,000
November.....	12,000	.....	12,000
December.....	25,000	.....	25,000
Total, 12 months.....	543,800	.....	543,800
Total to date.....	12,000,336	.....	12,000,336
1881.			
January.....	15,000	.....	15,000
February.....	13,750	.....	13,750
March.....	.....	.....	.....
April.....	.....	.....	.....
May.....	.....	.....	.....
June.....	.....	.....	.....
July.....	.....	.....	.....
August.....	.....	.....	.....
September.....	.....	.....	.....
October.....	.....	.....	.....
November.....	.....	.....	.....
December.....	.....	.....	.....
Total, 12 months.....	28,750	.....	28,750
Total to date.....	12,029,086	.....	12,029,086
1882.			
January.....	40,000	.....	40,000
February.....	.....	.....	.....
March.....	.....	.....	.....
April.....	.....	.....	.....
May.....	.....	.....	.....
June.....	.....	.....	.....
July.....	.....	.....	.....
August.....	.....	.....	.....
September.....	75,000	.....	75,000
October.....	.....	.....	.....
November.....	.....	.....	.....
December.....	.....	.....	.....
Total, 12 months.....	115,000	.....	115,000
Total to date.....	12,144,086	.....	12,144,086
1883.			
January.....	.....	.....	.....
February.....	.....	.....	.....
March.....	.....	.....	.....
April.....	.....	.....	.....
May.....	.....	.....	.....
June.....	.....	.....	.....
July.....	.....	.....	.....
August.....	.....	.....	.....

United States notes and Treasury notes redeemed in gold—Continued.

Month.	United States notes.	Treasury notes.	Total.
1883.			
September.....	.....	.....	.....
October.....	.....	.....	.....
November.....	.....	.....	.....
December.....	.....	.....	.....
Total, 12 months.....	.....	.....	.....
Total to date.....	\$12, 144, 086	.....	\$12, 144, 086
1884.			
January.....	.....	.....	.....
February.....	.....	.....	.....
March.....	380, 000	.....	380, 000
April.....	30, 000	.....	30, 000
May.....	.....	.....	.....
June.....	180, 000	.....	180, 000
July.....	.....	.....	.....
August.....	.....	.....	.....
September.....	.....	.....	.....
October.....	.....	.....	.....
November.....	100, 000	.....	100, 000
December.....	120, 000	.....	120, 000
Total, 12 months.....	810, 000	.....	810, 000
Total to date.....	12, 954, 086	.....	12, 954, 086
1885.			
January.....	460, 000	.....	460, 000
February.....	215, 000	.....	215, 000
March.....	995, 000	.....	995, 000
April.....	.....	.....	.....
May.....	.....	.....	.....
June.....	332, 000	.....	332, 000
July.....	464, 500	.....	464, 500
August.....	105, 200	.....	105, 200
September.....	91, 900	.....	91, 900
October.....	48, 300	.....	48, 300
November.....	85, 300	.....	85, 300
December.....	130, 200	.....	130, 200
Total, 12 months.....	2, 927, 400	.....	2, 927, 400
Total to date.....	15, 881, 486	.....	15, 881, 486
1886.			
January.....	63, 500	.....	63, 500
February.....	126, 200	.....	126, 200
March.....	647, 800	.....	647, 800
April.....	514, 600	.....	514, 600
May.....	1, 754, 100	.....	1, 754, 100
June.....	2, 832, 099	.....	2, 832, 099
July.....	1, 296, 339	.....	1, 296, 339
August.....	1, 446, 269	.....	1, 446, 269
September.....	239, 200	.....	239, 200
October.....	173, 200	.....	173, 200
November.....	146, 000	.....	146, 000
December.....	110, 200	.....	110, 200
Total, 12 months.....	9, 349, 507	.....	9, 349, 507
Total to date.....	25, 230, 993	.....	25, 230, 993
1887.			
January.....	104, 600	.....	104, 600
February.....	125, 640	.....	125, 640
March.....	174, 250	.....	174, 250
April.....	142, 230	.....	142, 230
May.....	175, 825	.....	175, 825
June.....	90, 320	.....	90, 320
July.....	115, 700	.....	115, 700
August.....	149, 820	.....	149, 820
September.....	135, 160	.....	135, 160
October.....	43, 790	.....	43, 790
November.....	46, 390	.....	46, 390
December.....	36, 220	.....	36, 220
Total, 12 months.....	1, 339, 945	.....	1, 339, 945
Total to date.....	26, 570, 938	.....	26, 570, 938

United States notes and Treasury notes redeemed in gold—Continued.

Month.	United States notes.	Treasury notes.	Total.
1888.			
January.....	\$19,250	.....	\$19,250
February.....	30,924	.....	30,924
March.....	14,021	.....	14,021
April.....	38,950	.....	38,950
May.....	49,371	.....	49,371
June.....	13,000	.....	13,000
July.....	78,990	.....	78,990
August.....	69,363	.....	69,363
September.....	22,433	.....	22,433
October.....	57,071	.....	57,071
November.....	30,226	.....	30,226
December.....	51,582	.....	51,582
Total, 12 months.....	475,181	.....	475,181
Total to date.....	27,046,119	.....	27,046,119
1889.			
January.....	31,350	.....	31,350
February.....	16,407	.....	16,407
March.....	19,240	.....	19,240
April.....	14,800	.....	14,800
May.....	139,369	.....	139,369
June.....	199,312	.....	199,312
July.....	79,936	.....	79,936
August.....	16,475	.....	16,475
September.....	12,124	.....	12,124
October.....	370,028	.....	370,028
November.....	18,698	.....	18,698
December.....	41,809	.....	41,809
Total, 12 months.....	959,548	.....	959,548
Total to date.....	28,005,667	.....	28,005,667
1890.			
January.....	111,295	.....	111,295
February.....	10,893	.....	10,893
March.....	9,513	.....	9,513
April.....	19,464	.....	19,464
May.....	30,164	.....	30,164
June.....	11,987	.....	11,987
July.....	45,220	.....	45,220
August.....	19,740	.....	19,740
September.....	12,650	.....	12,650
October.....	11,520	.....	11,520
November.....	24,873	.....	24,873
December.....	31,954	.....	31,954
Total, 12 months.....	339,273	.....	339,273
Total to date.....	28,344,940	.....	28,344,940
1891.			
January.....	47,229	.....	47,229
February.....	41,493	.....	41,493
March.....	66,399	.....	66,399
April.....	41,055	.....	41,055
May.....	2,288,479	.....	2,288,479
June.....	3,355,458	.....	3,355,458
July.....	1,835,912	.....	1,835,912
August.....	297,633	.....	297,633
September.....	242,820	.....	242,820
October.....	481,249	\$281,810	763,059
November.....	191,254	214,840	406,094
December.....	127,746	190,220	317,966
Total, 12 months.....	9,016,727	686,870	9,703,597
Total to date.....	37,361,667	686,870	38,048,537
1892.			
January.....	152,093	159,960	312,053
February.....	205,830	270,370	476,200
March.....	476,401	256,330	732,731
April.....	438,156	258,570	696,729
May.....	334,823	287,300	622,123
June.....	568,326	1,854,200	2,422,526

United States notes and Treasury notes redeemed in gold—Continued.

Month.	United States notes.	Treasury notes.	Total.
1892.			
July.....	\$4,086,055	\$5,148,650	\$9,234,705
August.....	1,049,414	5,091,460	6,140,874
September.....	2,264,089	1,823,710	4,087,799
October.....	282,665	316,200	598,865
November.....	406,206	291,940	698,146
December.....	5,699,755	4,538,057	10,237,812
Total, 12 months.....	15,963,813	20,296,747	36,260,560
Total to date.....	53,325,480	20,983,617	74,309,097
1893.			
January.....	6,359,126	5,137,491	11,496,617
February.....	5,811,299	8,017,365	13,828,664
March.....	1,641,923	3,284,530	4,926,453
April.....	12,568,555	7,483,355	20,051,910
May.....	12,076,934	4,470,915	16,547,849
June.....	3,073,104	1,177,547	4,250,651
July.....	771,935	264,080	1,036,015
August.....	1,189,757	1,158,465	2,348,222
September.....	143,592	197,135	340,727
October.....	262,512	432,880	695,392
November.....	299,252	217,120	516,372
December.....	295,523	221,895	517,418
Total, 12 months.....	44,493,512	32,062,778	76,556,290
Total to date.....	97,818,992	53,046,395	150,865,387
1894.			
January.....	118,841	237,515	356,356
February.....	10,982,624	8,210,730	19,193,354
March.....	2,266,426	1,194,766	3,461,192
April.....	6,072,042	1,594,085	7,666,127
May.....	25,131,412	1,409,670	26,541,082
June.....	20,708,492	1,461,401	22,169,893
July.....	13,367,864	555,511	13,923,375
August.....	4,209,853	531,560	4,741,413
September.....	636,031	300,487	936,518
October.....	2,542,719	505,171	3,047,890
November.....	7,085,133	714,614	7,799,747
December.....	30,819,622	1,087,599	31,907,221
Total, 12 months.....	123,941,059	17,803,109	141,744,168
Total to date.....	221,760,051	70,849,504	292,609,555
1895.			
January.....	43,415,283	1,702,455	45,117,738
February.....	4,784,907	776,045	5,560,952
March.....	809,495	279,590	1,089,085
April.....	733,525	284,046	1,017,571
May.....	734,747	431,745	1,166,492
June.....	644,621	401,575	1,046,196
July.....	3,122,620	704,175	3,826,795
August.....	16,218,815	345,252	16,564,067
September.....	17,119,814	257,670	17,377,484
October.....	1,849,018	317,865	2,166,883
November.....	15,616,190	418,400	16,034,590
December.....	19,787,951	424,744	20,212,695
Total, 12 months.....	124,836,986	6,343,562	131,180,548
Total to date.....	346,597,037	77,193,066	423,790,103
1896.			
January.....	15,686,024	762,484	16,448,508
February.....	21,080,551	656,325	21,736,876
March.....	6,381,296	475,250	6,856,546
April.....	6,754,718	375,990	7,130,708
May.....	21,726,600	307,097	22,033,697
Total, 5 months.....	71,629,189	2,577,056	74,206,245
Total to date.....	418,226,226	79,770,122	497,996,348

Exports of gold by months from January, 1870.

Year.	January.	February.	March.	April.	May.	June.	July.
1870	\$1,898,645	\$2,232,586	\$2,128,343	\$1,917,412	\$3,473,021	\$4,918,713	\$17,530,265
1871	534,258	1,873,999	3,018,373	8,104,132	8,970,609	7,749,812	7,318,966
1872	1,426,683	1,049,017	2,491,937	3,343,077	14,774,939	11,798,315	16,435,480
1873	5,347,113	1,543,264	791,628	833,028	355,336	2,232,189	7,903,833
1874	839,951	791,579	1,321,562	619,776	9,447,797	6,628,195	1,521,243
1875	8,833,417	2,520,529	3,035,921	5,428,870	7,857,624	15,804,385	4,714,869
1876	447,222	3,303,197	4,278,172	2,986,342	7,418,445	2,750,471	7,115,057
1877	420,742	996,532	543,786	1,288,632	9,009,554	4,345,238	762,340
1878	229,149	441,295	2,130,579	3,103,417	552,182	367,679	309,447
1879	346,096	115,513	76,985	426,310	350,003	1,441,060	349,779
1880	226,205	149,612	1,166,679	89,192	106,497	541,361	61,886
1881	30,415	271,379	160,786	88,593	614,498	616,548	112,361
1882	102,219	7,231,393	3,228,840	2,342,449	13,289,404	5,572,251	4,754,422
1883	34,000	745,715	284,180	2,050,215	935,106	597,149	100,870
1884	153,766	3,411,157	12,224,135	21,047,525	2,711,864	131,105	159,106
1885	1,446,326	1,635,828	833,082	1,157,995	1,393,975	741,992	1,329,570
1886	2,581,674	5,654,309	9,920,761	4,812,256	7,395,039	8,380,143	1,175,311
1887	628,993	1,677,397	2,444,926	1,494,246	296,269	620,316	495,776
1888	624,290	1,667,018	2,113,510	958,087	7,876,774	3,154,276	3,829,852
1889	1,197,080	1,478,208	4,392,584	3,176,014	13,445,033	18,130,874	5,281,786
1890	460,969	1,170,690	1,456,824	1,052,355	288,620	3,731,366	11,860,029
1891	728,246	4,010,146	5,155,736	14,163,116	30,580,760	15,822,400	6,662,674
1892	246,466	6,507,180	6,309,956	7,521,823	3,854,222	17,129,503	10,782,638
1893	12,584,396	14,245,607	8,113,428	19,148,964	16,914,317	2,711,226	174,212
1894	1,279,437	3,209,317	4,020,633	11,723,771	27,406,801	23,280,220	14,239,878
1895	26,205,260	1,565,194	3,135,219	2,919,965	1,587,781	135,548	3,867,518
1896	10,566,526	2,183,700	384,080	3,782,266	*18,678,432	-----	-----

* New York.

Year.	August.	September.	October.	November.	December.	First quarter.	Second quarter.
1870	\$9,922,706	\$3,853,300	\$2,391,167	\$1,765,925	\$971,662	\$6,359,574	\$10,309,146
1871	1,736,622	2,358,698	1,327,549	939,867	983,180	5,426,630	24,824,553
1872	6,820,306	1,151,638	2,467,704	3,951,275	2,927,754	4,967,637	29,916,331
1873	1,409,791	2,003,520	1,160,677	1,602,341	313,398	7,682,005	3,420,553
1874	6,234,702	556,892	540,055	3,473,052	11,174,287	2,953,092	16,695,768
1875	2,189,009	258,820	1,314,897	403,776	1,051,830	14,389,867	29,090,879
1876	994,428	219,670	301,144	664,115	991,476	8,028,591	13,155,258
1877	349,695	522,551	270,548	359,842	115,178	1,961,060	14,643,424
1878	527,560	33,382	382,485	460,006	118,767	2,801,023	4,023,278
1879	350,664	132,443	285,826	105,999	134,768	538,594	2,217,373
1880	90,909	80,914	169,871	220,759	158,574	1,542,496	737,050
1881	178,648	148,166	176,941	97,124	108,084	462,580	1,319,639
1882	1,637,212	229,849	104,616	52,725	175,699	10,562,452	21,204,104
1883	132,323	196,345	132,530	403,368	436,969	1,063,895	3,582,470
1884	175,619	77,350	192,533	443,529	220,557	15,789,058	23,890,494
1885	359,317	151,568	139,120	438,460	1,789,974	3,915,236	3,293,962
1886	130,765	308,360	264,012	355,245	305,347	18,156,744	20,587,438
1887	241,961	175,917	312,503	390,136	365,986	4,751,316	2,410,831
1888	191,130	323,425	686,472	5,376,262	7,725,351	4,404,818	11,989,137
1889	420,176	289,580	2,233,463	575,742	312,920	7,067,872	34,751,921
1890	2,135,853	281,627	425,235	567,152	632,354	3,088,483	5,072,341
1891	172,168	345,290	809,595	381,949	254,501	9,894,128	60,566,276
1892	6,049,981	3,627,663	484,250	1,138,647	12,879,727	13,063,602	28,505,548
1893	949,502	1,436,862	511,018	331,743	2,654,545	34,943,431	38,774,507
1894	5,120,939	241,029	1,082,814	430,999	9,803,855	8,509,387	62,410,792
1895	16,670,501	17,429,949	1,887,707	14,074,257	15,488,503	30,905,673	4,643,294

Exports of gold by months from January, 1870—Continued.

Year.	Third quarter.	Fourth quarter.	Six months, January to June.	Six months, July to December.	Calendar year.	Fiscal year.
1870.....	\$31,306,271	\$5,128,754	\$16,668,720	\$36,435,025	\$53,103,745	.....
1871.....	11,414,196	3,250,596	30,251,183	14,664,792	44,915,975	\$66,686,200
1872.....	24,407,424	9,346,733	34,883,968	33,754,157	68,638,125	49,548,768
1873.....	11,317,144	3,076,416	11,102,558	14,393,560	25,496,118	44,856,715
1874.....	8,312,837	15,187,394	19,648,860	23,500,231	43,149,091	34,042,420
1875.....	7,162,698	2,770,503	43,480,746	9,933,201	53,413,947	66,980,977
1876.....	8,029,155	1,956,735	21,183,849	9,985,890	31,169,739	31,177,050
1877.....	1,634,586	745,568	16,604,484	2,380,154	18,984,638	26,590,374
1878.....	870,389	961,258	6,824,301	1,831,647	8,655,948	9,204,455
1879.....	832,886	526,593	2,755,967	1,359,479	4,115,446	4,587,614
1880.....	233,709	549,204	2,279,546	782,913	3,062,459	3,639,025
1881.....	439,175	382,149	1,782,219	821,324	2,603,543	2,565,132
1882.....	6,621,483	333,040	31,766,556	6,954,523	38,721,079	32,587,880
1883.....	429,538	972,867	4,646,365	1,402,405	6,048,770	11,600,888
1884.....	412,075	856,619	39,679,552	1,268,694	40,948,246	41,081,957
1885.....	1,840,455	2,367,554	7,209,198	4,208,009	11,417,207	8,477,892
1886.....	1,614,436	924,604	38,744,182	2,539,040	41,283,222	42,952,191
1887.....	913,654	1,068,625	7,162,147	1,982,279	9,144,426	9,701,187
1888.....	4,344,407	13,788,085	16,393,955	18,132,492	34,526,447	18,376,234
1889.....	5,991,542	3,122,125	41,819,793	9,113,667	50,933,460	59,952,285
1890.....	14,277,509	1,624,741	8,160,824	15,902,250	24,063,074	17,274,491
1891.....	7,180,132	1,446,045	70,460,404	8,626,177	79,086,581	86,362,654
1892.....	20,460,282	14,502,624	41,569,150	34,962,906	76,532,056	50,195,327
1893.....	2,560,576	3,497,306	73,717,938	6,057,882	79,775,820	108,680,844
1894.....	19,601,846	11,317,668	70,920,179	30,919,514	101,839,693	76,978,061
1895.....	37,967,968	31,450,467	35,548,967	69,418,435	104,967,402	66,468,481

Imports and exports of gold.

Year.	Six months, January to June.				Six months, July to December.			
	Imports.	Exports.	Excess of—		Imports.	Exports.	Excess of—	
			Imports.	Exports.			Imports.	Exports.
1870...	\$5,888,003	\$16,668,720	.....	\$10,780,717	\$4,542,558	\$36,435,025	.....	\$31,892,467
1871...	2,341,003	30,251,183	.....	27,910,180	3,500,945	14,664,792	.....	11,163,847
1872...	5,216,513	34,883,968	.....	29,667,455	5,896,777	33,754,157	.....	27,857,380
1873...	2,785,670	11,102,558	.....	8,316,888	17,751,584	14,393,560	\$3,358,024	.....
1874...	1,751,553	19,648,860	.....	17,897,307	5,671,253	23,500,231	.....	17,828,978
1875...	8,025,540	43,480,746	.....	35,455,206	6,323,241	9,933,201	.....	3,609,960
1876...	1,669,468	21,183,849	.....	19,514,381	22,004,133	9,985,890	12,018,243	.....
1877...	4,242,101	16,604,484	.....	12,362,383	7,336,570	2,380,154	4,956,416	.....
1878...	5,993,745	6,824,301	.....	830,656	4,524,898	1,831,647	2,693,251	.....
1879...	1,100,050	2,755,967	.....	1,655,917	77,667,891	1,359,479	76,308,412	.....
1880...	3,090,505	2,279,546	\$810,959	.....	70,554,193	782,913	69,771,280	.....
1881...	29,477,066	1,782,219	27,694,847	.....	30,921,554	821,324	30,100,230	.....
1882...	3,455,500	31,766,556	.....	28,311,056	9,947,028	6,954,523	2,992,505	.....
1883...	7,787,121	4,646,365	3,140,756	.....	14,268,840	1,402,405	12,866,435	.....
1884...	8,562,477	39,679,552	.....	31,117,075	19,395,180	1,268,694	18,126,486	.....
1885...	7,296,516	7,209,198	87,318	.....	16,348,795	4,208,009	12,140,786	.....
1886...	4,394,554	38,744,182	.....	34,349,628	36,914,627	2,539,040	34,375,587	.....
1887...	5,995,974	7,162,147	.....	1,166,173	38,893,325	1,982,279	36,911,046	.....
1888...	5,040,992	16,393,955	.....	11,352,963	5,919,781	18,132,492	.....	12,212,711
1889...	4,365,077	41,819,793	.....	37,454,716	7,639,555	9,113,667	.....	1,474,112
1890...	5,303,787	8,160,824	.....	2,857,037	14,926,303	15,902,250	.....	975,947
1891...	3,306,264	70,460,404	.....	67,154,140	41,663,846	8,626,177	33,037,669	.....
1892...	8,035,608	41,569,150	.....	33,533,542	9,415,338	34,962,906	.....	25,547,568
1893...	11,759,043	73,717,938	.....	61,958,895	61,003,346	6,057,882	54,945,464	.....
1894...	11,445,773	70,920,179	.....	59,474,406	9,568,820	30,919,514	.....	21,350,694
1895...	26,815,940	35,548,967	.....	8,733,027	8,282,187	69,418,435	.....	61,136,248

Imports and exports of gold—Continued.

Year.	Calendar year.				Fiscal year.			
	Imports.	Exports.	Excess of—		Imports.	Exports.	Excess of—	
			Imports.	Exports.			Imports.	Exports.
1870...	\$10,430,561	\$53,103,745	.....	\$42,673,184	\$12,056,950	\$33,635,962	.....	\$21,579,012
1871...	5,841,948	44,915,975	.....	39,074,027	6,883,561	66,686,208	.....	59,802,647
1872...	11,113,290	68,638,125	.....	57,524,835	8,717,458	49,548,760	.....	40,831,302
1873...	20,537,254	25,496,118	.....	4,958,864	8,682,447	44,856,715	.....	36,174,268
1874...	7,422,806	43,149,091	.....	35,726,285	19,503,137	34,042,420	.....	14,539,283
1875...	14,348,781	53,413,947	.....	39,065,166	13,696,793	66,980,977	.....	53,284,184
1876...	23,673,601	31,169,739	.....	7,496,138	7,992,709	31,177,050	.....	23,184,341
1877...	11,578,671	18,984,638	.....	7,405,967	26,246,234	26,590,374	.....	344,140
1878...	10,518,543	8,655,948	\$1,862,595	.....	13,330,215	9,204,455	\$4,125,760	.....
1879...	78,767,941	4,115,446	74,652,495	.....	5,624,948	4,587,614	1,037,334	.....
1880...	73,644,698	3,062,459	70,582,239	.....	80,758,396	3,639,025	77,119,371	.....
1881...	60,398,620	2,603,543	57,795,077	.....	100,031,259	2,565,132	97,466,127	.....
1882...	13,402,528	38,721,079	.....	25,318,551	34,377,054	32,587,880	1,789,174	.....
1883...	22,055,961	6,048,770	16,007,191	.....	17,734,149	11,600,888	6,133,261	.....
1884...	27,957,657	40,948,246	.....	12,990,589	22,831,317	41,081,957	.....	18,250,640
1885...	23,645,311	11,417,207	12,228,104	.....	26,691,696	8,477,892	18,213,804	.....
1886...	41,309,181	41,283,222	25,959	.....	20,743,349	42,952,191	.....	22,208,842
1887...	44,889,299	9,144,426	35,744,873	.....	42,910,601	9,701,187	33,209,414	.....
1888...	10,960,773	34,526,447	.....	23,565,674	43,934,317	18,376,234	25,558,083	.....
1889...	12,004,632	50,933,460	.....	38,928,828	10,284,858	59,952,285	.....	46,667,427
1890...	20,230,090	24,063,074	.....	3,832,984	12,943,342	17,274,491	.....	4,331,149
1891...	44,970,110	79,086,581	.....	34,116,471	18,232,567	86,362,654	.....	68,130,087
1892...	17,450,946	76,532,056	.....	59,081,110	49,699,454	50,195,327	.....	495,873
1893...	72,762,389	79,775,820	.....	7,013,431	21,174,381	108,680,844	.....	87,506,463
1894...	21,014,593	101,839,693	.....	80,825,100	72,449,119	76,978,061	.....	4,528,942
1895...	35,098,127	104,967,402	.....	69,869,275	36,384,760	66,468,481	.....	30,083,721

SUBCOMMITTEE ON BOND INVESTIGATION,
Washington, D. C., June 9, 1896.

The committee met at 11 o'clock, pursuant to the call of the chairman.

The chairman submitted the printed proceedings of the first meeting of the committee, the letters addressed by him to Secretary Carlisle and Mr. J. Pierpont Morgan, and the replies of those gentlemen, together with the full statement of the Secretary of the Treasury, which papers will be found on pages 2 to 220. The chairman stated that up to the present moment he had not permitted publicity of any proceedings of the committee, but he now desired to have the views of the committee in regard to the matter of whether the sessions of the committee should be open or with closed doors. He also desired to have the opinion of the committee as to the scope of the investigation, and when and where the subcommittee should proceed with it; that, as the Congressional session was drawing to a close, it was important to determine these questions, in order that the committee might know and conform to the necessities of the case.

After thorough discussion of the question of open or secret sessions, the committee finally decided unanimously that all investigations should be conducted with open doors. It was further decided that the committee would reassemble in the committee room on Finance on the day following the adjournment of Congress and decide as to the scope of the investigation, etc.

The committee then adjourned.

SUBCOMMITTEE ON BOND INVESTIGATION,
Washington, D. C., June 12, 1896.

The committee met pursuant to agreement.

Present, Messrs. Harris, Vest, Walthall, and Platt. Mr. Vest moved that the statement of Secretary Carlisle, which had been published, be read for the information of the committee. After the reading and consideration of the statement, the committee decided to request the presence of Secretary Carlisle, and the following telegram was sent him:

Hon. JOHN G. CARLISLE,
Secretary of the Treasury:

The committee to investigate the subject of bond sales is now in session and will be glad to have you meet them at the Finance Committee rooms on Monday, the 15th instant, at 10.30 a. m., if convenient.

ISHAM G. HARRIS, *Chairman.*

To which the following reply was received from the Treasury Department.

JUNE 12, 1896.

Hon. ISHAM G. HARRIS:

Secretary Carlisle will meet the committee to investigate the subject of bond sales on Monday, the 15th instant, at 10.30 o'clock, as requested by your telegram.

H. M. CLAPP,
Acting Private Secretary.

The committee, after some discussion, decided to proceed to New York for further investigation as soon as possible after the conclusion of their meeting on Monday next, the 15th instant.

The committee then adjourned.

INVESTIGATION OF BOND SALES.

WASHINGTON, D. C., *June 15, 1896.*

The committee met.

Present, Messrs. Harris (chairman), Vest, Walthall, Jones, of Nevada, and Platt.

The Secretary of the Treasury was also present.

The CHAIRMAN (to the Secretary of the Treasury). After reading your communication, Mr. Secretary, some members of the committee desire to ask you some questions in explanation of certain matters. The committee has decided that whatever testimony it shall take shall be under oath, and we do not deem it proper to discriminate. I will therefore administer the oath to you.

The SECRETARY OF THE TREASURY. I should prefer that, Mr. Chairman, and was myself about to ask that that course be pursued.

HON. JOHN G. CARLISLE, SECRETARY OF THE TREASURY, SWORN AND EXAMINED.

Senator VEST. I desire to ask you, in the first place, Mr. Secretary, about a statement you made in regard to changing the contract or agreement with this Belmont-Morgan syndicate, by which you released them from the obligation to purchase one-half the gold abroad. You released them from that agreement, as I understand.

The SECRETARY OF THE TREASURY. Yes; in June, 1895.

Senator VEST. How did the purchase of this gold abroad cause the exports of gold from this country? Please explain to us what was the cause of your making that release.

The SECRETARY OF THE TREASURY. During the pendency of the transaction—that is to say, while the syndicate was making its payments for the bonds—they drew bills of exchange on their associates and others abroad, as stated in my communication to the committee, and sold them in the market at New York, which prevented persons who owed debts abroad from having to ship gold to pay them. But after awhile they reached a point where they could not themselves send bills abroad without also sending the gold to meet the bills, and had then reached a position, of course, where they had to stop or we had to let them put in the gold they already had here. They could have continued to draw bills on their associates and others abroad, but they would have been compelled, as they said, to ship the gold which they had here in order to meet the bills. In other words, they represented to me that if they continued to get the gold abroad they would have to ship their own gold, which they already had. I think there were about \$6,000,000 or \$7,000,000 paid in in June which was already here. Part of that gold had been brought from abroad, but was here at the time, in their own vaults and in their own possession. Some had been brought from

Canada and some perhaps from other places. Of course, I can not state all the sources from which the gold was procured.

Senator VEST. Do I understand you to mean that the purchase of gold abroad by the syndicate to fill the contract with this Government caused the exports of gold from this country; in other words, that it raised the price of gold abroad?

The SECRETARY OF THE TREASURY. It would have done it at that time.

Senator VEST. Did it, at that time?

The SECRETARY OF THE TREASURY. Not at that time, because we prevented it by allowing them to put in the gold which they already had here. There were two ways in which they could have complied literally with the terms of the contract. They could have continued to draw bills abroad and ship this identical gold which they already had to meet the bills, or they could have brought the gold from abroad and sent this gold abroad to take its place. Neither of those transactions would help the Treasury Department in any way, because our purpose was to protect the Treasury Department against the withdrawal of gold to meet debts abroad.

Senator VEST. In other words, you wanted to keep the gold in this country?

The SECRETARY OF THE TREASURY. Yes; and in the Treasury, too, if we could.

Senator VEST. Then by a change in this contract you gave them the privilege of buying this gold in this country instead of buying it abroad?

The SECRETARY OF THE TREASURY. No; they already had the gold, and \$16,127,000 besides, in this country, which they had accumulated, and which they deposited in the Treasury, and for which they took notes, as stated in my communication to the committee.

They said to me that they could ship this gold abroad and bring the identical gold or its equivalent in some other form of gold, back, which would leave the amount of gold in this country just the same as it was then, or, they would pay this gold into the Treasury and prevent any shipments at all. My main purpose was to prevent any shipments at all. The beginning of gold shipments, as everybody knows, creates more or less anxiety in the public mind, and the great purpose I had in view was to prevent any shipment at all from this country by anybody.

The CHAIRMAN. About how much gold was involved in this?

The SECRETARY OF THE TREASURY. I think about \$6,000,000 or \$7,000,000. I can get the exact amount. As soon as this transaction was concluded, or almost as soon as it was concluded, shipments did begin.

Senator VEST. You mean shipments abroad?

The SECRETARY OF THE TREASURY. Shipments from this country to London and other places; principally, I think, London.

Senator VEST. From whom did the suggestion first come as to this protective clause in this syndicate contract—the clause stating that they were to use all means in their power to protect the Treasury against the withdrawals of gold pending the complete performance of the contract?

The SECRETARY OF THE TREASURY. It came from me in the first place, and was not finally agreed to until we commenced to write the contract.

Senator VEST. Who wrote that contract?

The SECRETARY OF THE TREASURY. Mr. Assistant Secretary Curtis and myself. Mr. Curtis did the actual writing, but it was prepared in my private room, and after it was prepared in rough form it was taken into another room, in which Mr. J. P. Morgan and Mr. Lynde Stetson were, and they looked it over. Some suggestions were made about the phraseology of the contract, and my recollection is that it was rewritten and signed—not signed by Mr. Belmont, however, until in the afternoon. The preparation of the contract was in the forenoon, but Mr. Belmont had been delayed on account of a snowstorm and did not reach here until 2 o'clock in the afternoon; but Mr. Morgan represented that he was authorized to conclude the negotiation for Mr. Belmont, and that Mr. Belmont would agree to whatever he (Mr. Morgan) would agree to in the matter.

Senator VEST. You say Mr. Lynde Stetson—are there two of those Stetsons lawyers?

Senator WALTHALL. His full name is Francis Lynde Stetson.

The SECRETARY OF THE TREASURY. It is Mr. Francis Lynde Stetson.

Senator VEST. The law partner of the President?

The SECRETARY OF THE TREASURY. He was in the office with him at one time.

Senator VEST. There was a difference between the bid of the syndicate and other bids on that occasion?

The SECRETARY OF THE TREASURY. There were no bids.

Senator VEST. Were there any bids suggested to you?

The SECRETARY OF THE TREASURY. No.

Senator VEST. Did anybody ever make any?

The SECRETARY OF THE TREASURY. No.

Senator VEST. This was the only bid?

The SECRETARY OF THE TREASURY. The only negotiation we had with regard to that loan was with Mr. Morgan and Mr. Belmont.

Senator VEST. Why should the Treasury Department confine that transaction to this syndicate?

The SECRETARY OF THE TREASURY. Simply because the emergency was so great; it was so great that we considered it dangerous to delay, and these were parties who, we thought, would and could promptly furnish the gold.

We caused to be made a great many inquiries as to what we could do in regard to a loan, but we made no public proposals.

Senator VEST. Do you mean to say that the Treasury Department approached this Belmont-Morgan syndicate on its own motion, without going to anybody else?

The SECRETARY OF THE TREASURY. No; I do not mean that. I think this negotiation began, according to my present recollection, by a visit from Mr. Belmont a week or ten days, or perhaps longer than that, before it was finally concluded. The Treasury Department did not—neither the Secretary of the Treasury nor anybody else, so far as I know, on behalf of the Government—first suggest the transaction with them, but they made a proposition which was not accepted.

Senator VEST. What was the amount that the syndicate bid, or that they said they would take these bonds at?

The SECRETARY OF THE TREASURY. You mean the rate of interest?

Senator VEST. The rate.

The SECRETARY OF THE TREASURY. It was in the form, as you may remember, of a purchase of gold.

Senator VEST. They were to furnish so much gold?

The SECRETARY OF THE TREASURY. They were to furnish 3,500,000 ounces of gold at \$17.80 and a fraction per ounce.

Senator VEST. I will put the question in another form. You paid for that gold with bonds?

The SECRETARY OF THE TREASURY. With bonds.

Senator VEST. At what rate did you sell these bonds?

The SECRETARY OF THE TREASURY. Purchasing the gold at that price, the gold being got for \$17.80 and a fraction per ounce, made the bonds sell at \$104.49—nearly \$104.50—which was a rate that yielded investors in the bonds 3.75 per cent per annum.

Senator VEST. These were thirty-year bonds?

The SECRETARY OF THE TREASURY. Thirty-year bonds.

The CHAIRMAN. Thirty-year 4 per cents?

The SECRETARY OF THE TREASURY. Yes. At the last public sale the bonds yielded the investor 3.39 and a fraction—nearly 3.40; so that there was a difference between the last and the one before of about 0.35 of a cent to the purchaser.

Senator VEST. Can you state what was the market price at that time of other 4 per cent bonds?

The SECRETARY OF THE TREASURY. I can not do so from memory, but I have furnished a statement of it with my communication.

Senator VEST. You “traded” these bonds, to use that expression, for gold at a lower rate than they were selling for in the market?

The SECRETARY OF THE TREASURY. I think so. I think it was impossible at any time to sell that amount of bonds for gold at the same rate that they were selling at in the market. It has never been done so far as I know by the Government.

Senator VEST. I understand you to say that that was on account of the exigency?

The SECRETARY OF THE TREASURY. Yes; there was a good deal of excitement in the market and a good deal of uneasiness, and I sent Mr. Curtis, an Assistant Secretary, to New York on a Wednesday evening, and it began at once to be reported in the newspapers that he was there negotiating for a loan. The effect of that report was that the withdrawals of gold substantially stopped for several days, and some \$3,000,000 or \$4,000,000 in gold, which had been ordered, and part of which was actually taken out of the Treasury, was not in fact shipped. Some of that which had been taken out was returned, and a large part of that which had not been taken out was left there. It went on in that way for a week or so, during which the House of Representatives was considering a bill, the Springer bill, authorizing the Secretary of the Treasury to issue bonds payable specifically in gold coin.

The time was fixed to take a vote on that bill, according to my present recollection, at 6 o'clock on Thursday evening. The vote was taken and the bill was defeated. The next morning after the defeat of that bill this contract was made. We refrained from entering into a final arrangement with anybody until the fate of that bill was known. When it failed it became evident, at least to me, that something had to be done, or that the comparatively small amount of gold then in the Treasury would be taken out immediately—the forty-one million and some odd dollars that we then had.

When these gentlemen appeared on Friday morning at my office—I mean Mr. Morgan and Mr. Stetson, who seemed to be his counsel—I asked Mr. Morgan if he thought anything could be done to keep the panic from breaking out again on that day. He said he would telegraph to New York and would do what he could to allay apprehension. We went on with our negotiations, and the result was that we executed this contract.

Senator VEST. Had Mr. Stetson ever appeared at the Department, or over here, on any occasion, in regard to bond sales or transactions, prior to that time?

The SECRETARY OF THE TREASURY. I have an impression that Mr. Stetson was with Mr. Morgan on one other occasion prior to this, when we were not exactly negotiating with reference to this particular transaction which was finally effected, but we were talking about the financial situation at New York, and unless I am mistaken, he was with Mr. Morgan on some other occasion when I did not see Mr. Stetson but was told that he had come here with Mr. Morgan.

Senator VEST. You do not know of any other bond transaction, then, in which Mr. Stetson drew any contract?

The SECRETARY OF THE TREASURY. We never had any other contract drawn.

Senator VEST. I mean where there were any initiatory steps toward a contract. All the others were by public proposals and bids. I understand you to say that this clause of the agreement providing that the syndicate should use their influence to prevent exports of gold came from you?

The SECRETARY OF THE TREASURY. Yes. My recollection, Senator, is that there was no reluctance shown to entering into that arrangement; but the suggestion came from me, I think.

As explained in my communication to the committee, our experience prior to that time had been that a large part of the gold was taken out of the Treasury itself and paid on our bonds, and we were exceedingly anxious to guard against that. We did not want the gold taken out of the Treasury and converted into interest-bearing bonds.

Senator VEST. Did not their agreement to use their influence to protect the Treasury enter into this consideration for letting them have the bonds at the price at which they took them—in other words, did not that induce you to buy this gold and pay for it at a lower rate than you would otherwise have done?

The SECRETARY OF THE TREASURY. Do you mean to ask me if that was the whole inducement?

Senator VEST. No.

The SECRETARY OF THE TREASURY. It certainly did. I thought it was a very valuable stipulation in the contract for the Government.

Senator VEST. Had you, before that, approached any other capitalists to see whether they would make an agreement to sell you gold for bonds in which agreement there should be this protective clause inserted?

The SECRETARY OF THE TREASURY. No.

Senator VEST. Then you never made this proposition as to this protective clause to anybody else except the Belmont-Morgan syndicate?

The SECRETARY OF THE TREASURY. No. We had made, or caused to be made, inquiries as to what we could do—as to what price we could get for bonds, but we had no negotiations with anybody else.

Senator VEST. Did you suggest that protective clause to Mr. Morgan after he came to Washington, or was it suggested or stated to him by your agent or subordinate in New York?

The SECRETARY OF THE TREASURY. So far as I know, it was not made until Mr. Morgan was here on the occasion when the contract was actually executed. What Mr. Curtis may have said to him in New York I do not of course know, but I have no reason to believe that it was made before.

Senator VEST. It came from you?

The SECRETARY OF THE TREASURY. It came from me.

Senator VEST. The President, of course, was apprised of that?

The SECRETARY OF THE TREASURY. Oh, yes.

Senator VEST. He knew what you had done and approved it.

The SECRETARY OF THE TREASURY. And communicated it to Congress, as you are aware; in fact before the contract was actually signed, because Mr. Belmont did not reach here until 2 o'clock in the afternoon, while the President's message communicating the substance of the matter was sent in on the opening of the Congress; but we knew that Mr. Belmont would sign when he came.

Senator VEST. I understand you to say that you consider the exigency so great that when your gold reserve, as it is termed, came down to \$41,000,000 or \$42,000,000 you thought it was absolutely necessary to close out at once for the whole amount of this bid or this transaction?

The SECRETARY OF THE TREASURY. I thought it was absolutely necessary, in view of the conditions then existing, as I understood them, to make this contract, which would bring the reserve up to a little over \$100,000,000, taking the forty-one millions then on hand and the amount which was to be furnished under this contract. Of course it is scarcely correct for me to say that I considered it necessary to get every dollar of that money. We might have got along with forty millions or thirty millions, but in making the contract we thought it prudent and better to make it so as to bring the reserve up to the \$100,000,000.

Senator VEST. In regard to the last sale of bonds, what was the reason of your changing the nature of these bond transactions and making advertisement; what was the reason of the Treasury Department changing the mode of getting gold by contract with private individuals or syndicates into a public advertisement or bids upon the bonds?

The SECRETARY OF THE TREASURY. It did not change. All our sales of bonds have been made by public propoals except one. That was the exception; not the rule.

Senator VEST. That, I understand; but, as you say, you had made that transaction without any bid; and then you went back to what you now say is the rule of the Department and advertised for bids?

The SECRETARY OF THE TREASURY. We departed from that rule in the case of the syndicate transaction simply on account of the exigency, which, as I have said, we supposed existed at that time; and when no such exigency existed, we pursued the course which had been pursued before.

Senator VEST. What was the amount of your gold reserve when you made the last sale?

The SECRETARY OF THE TREASURY. The amount was \$61,251,710 on the 6th day of January, when the call was issued.

Senator VEST. You had then some \$20,000,000 more in the gold reserve than when you made the syndicate contract.

The SECRETARY OF THE TREASURY. Yes; and the emergency was nothing like so great, in my opinion.

Senator VEST. Why did you double the amount and make it \$100,000,000?

The SECRETARY OF THE TREASURY. Because we found that the loans of fifty millions and sixty millions had not been effectual for any considerable period of time to enable the Department to retain the gold, and it was thought that if we had to sell more bonds it was better to sell \$100,000,000 than \$50,000,000. That was the cause of it.

We had found that in a comparatively short time the reserve ran down again, so that more bonds had to be issued.

Senator VEST. Were there any negotiations with anybody as to the sale of these bonds prior to the time that you made that advertisement?

The SECRETARY OF THE TREASURY. None whatever with anybody. All the reports which you gentlemen doubtless saw in the newspapers concerning pending negotiations were absolutely without a shadow of foundation.

Senator VEST. And this advertisement was made simply upon your opinion as to the necessities of the Treasury?

The SECRETARY OF THE TREASURY. Yes.

Senator VEST. And that alone?

The SECRETARY OF THE TREASURY. Entirely so.

Senator VEST. You state in your communication to the committee very fully as to what is called the Graves bid, which amounted, together with some other small bids, to about—

The SECRETARY OF THE TREASURY. \$4,700,000.

Senator VEST. The Graves bid alone was \$4,500,000. The fact about that was that on the 15th of February the first installment of 20 per cent was due on that bid, and, as stated in your communication, Graves did not make his deposit—did not make his payment. Now, will you be kind enough to tell us why you gave that bid, after it was forfeited by Graves, to this syndicate of Belmont, Morgan & Co., under what is known as, or what you call, the “blanket bid?”

The SECRETARY OF THE TREASURY. I did it because I believed that they were entitled to the bid, having submitted their proposal within the time specified by the Secretary of the Treasury and having complied with all the terms of the circular. Mr. Graves's bid was, in my opinion—and I feel very positive about that—not made in good faith, and these gentlemen who made the bid for the whole \$100,000,000 would unquestionably have been entitled to receive the bonds if Mr. Graves's bid had been rejected at the beginning, as it ought to have been and would have been had the facts been known to me. This was all one transaction—a sale of \$100,000,000 of bonds, and they bid for all of them. After having awarded to everybody else who bid a better price the amount of their bids, it seemed to me, as matter of law, and certainly as matter of good faith in a transaction between the Government and these gentlemen, that they should take what was left.

Senator VEST. You reserved, of course, in this advertisement the right to accept or reject any bid.

The SECRETARY OF THE TREASURY. Yes.

Senator VEST. You accepted Graves's bid after examining into the facts?

The SECRETARY OF THE TREASURY. Yes.

Senator VEST. You telegraphed to San Francisco as to his standing?

The SECRETARY OF THE TREASURY. Yes; but learned nothing definite.

Senator VEST. That is in your statement, I believe.

The SECRETARY OF THE TREASURY. Yes, that is in my statement.

Senator VEST. Now, when Graves failed to comply with that bid, was it not absolutely destroyed or eliminated; was it not just exactly as if there had been no bid at all, so far as Graves was concerned?

The SECRETARY OF THE TREASURY. Yes; just the same as if Graves had made no bid.

Senator VEST. In the meantime these bonds had gone up in the market, had they not?

The SECRETARY OF THE TREASURY. I think so.

Senator VEST. Your statement is, I believe, that on the 15th of Feb-

ruary 20 per cent was due, and on the 19th of the same month—four days afterwards—you turned the bid over or gave it to the Belmont-Morgan syndicate?

The SECRETARY OF THE TREASURY. Yes, to Morgan, not to Belmont.

Senator VEST. Now, in that intervening time, and from the time you made the first call, the bonds had been going up in the market, had they not?

The SECRETARY OF THE TREASURY. I think so.

Senator VEST. Is it not the fact that the syndicate, by receiving the bonds when they did, made \$317,803 clear money by the action of the Treasury Department?

The SECRETARY OF THE TREASURY. I never made a calculation as to that; but I think you stated the matter correctly when you said that it was the same as if Graves had made no bid. If Graves had made no bid, there is no question as to where that \$4,500,000 would have gone.

Senator VEST. That may be so, but when you inquired as to Graves's standing, and came to the conclusion that there was enough to justify you in accepting the bid, and did accept the bid, and then he failed to comply with it, was it not your duty, as the trustee of an express trust on the part of the Government, to have made for the Government what you could by availing yourself of the rise in the market of the price of the bonds?

The SECRETARY OF THE TREASURY. Of course there is room for difference of opinion on a question like that. But my view of it was that whether the bonds had gone up or gone down was not a matter that I had a right to consider at all. If these gentlemen had in good faith made a bid for all the bonds and I had accepted all the bids that were at a better price, I would have required them to take the bonds if they had gone down, and could not refuse to give them the bonds if they had gone up. All the bonds which had been awarded to them had gone up, as well as all those that had been awarded to other bidders.

Senator VEST. You have not any idea that if the bonds had gone down 8 or 10 per cent the syndicate would have taken them, have you?

The SECRETARY OF THE TREASURY. Yes; I have. They would have had to take them.

Senator VEST. Why should that be, if, as you say, it was the same as if no bid had been made by Graves?

The SECRETARY OF THE TREASURY. It was just the same as if none had been made by Graves.

Senator VEST. But you had accepted it.

The SECRETARY OF THE TREASURY. But it was extinguished. It was a fictitious bid.

Senator VEST. It was extinguished so far as Graves and the Government were concerned.

The SECRETARY OF THE TREASURY. Yes.

Senator VEST. But how could Morgan & Co. have come in and claimed that bid when it was not awarded to them? As a lawyer, you do not think they could have been compelled to take them?

The SECRETARY OF THE TREASURY. I think they could have been.

Senator VEST. You think they could have been?

The SECRETARY OF THE TREASURY. I do. I may be mistaken about it, but they had made their bid, and their bid was there. There was no particular hour at which an award should be made.

Senator VEST. But the bid was not awarded to them, and it was awarded to another man.

The SECRETARY OF THE TREASURY. Yes; but the balance of their bid had not been rejected in any formal way. Of course we had awarded to Graves \$4,500,000 of the bonds and to other people the amount of their bids; but he did not take them. They were fictitious bids, in fact. There were \$161,030,000 of bids, at prices largely above the Morgan bids, which were thrown out entirely.

Senator VEST. Now, take this case: You were acting as an officer of the Government—what you would call a trustee of an express trust. Suppose that the Quartermaster-General had advertised for 100,000 pounds of bacon, and a number of bids come in, and he has to give the contract to the lowest and best bidder. He awards it to Mr. Smith, who fails to comply with his contract. Mr. Jones is the next lowest bidder, and, in the meantime, pork or bacon has fallen in the market 4 or 5 cents a pound. Now, when Mr. Smith fails to take that bid, do you think the Quartermaster-General would have any right to award it to the next best bidder?

The SECRETARY OF THE TREASURY. Suppose the next bidder had been awarded the half of it and the other man had refused to take the half awarded to him and he stood ready to comply with the whole of it, then you have the question which we had before us.

Senator VEST. You have had large public experience as a Congressman. Do you think the second bidder would have had any claim before Congress for equitable relief because he did not get that bid?

The SECRETARY OF THE TREASURY. Well, I did not exactly treat this as a claim on the part of these gentlemen, but as a case in which I would have required them to take it in case the Graves bid turned out, as it did, to be entirely fictitious. I considered that, putting myself in that attitude, good faith required me to act toward those gentlemen as good faith would have required them to act if the positions had been reversed.

Senator VEST. And you think, as a lawyer, that they would have had a legal claim as to that Graves bid in the event that Graves did not take it?

The SECRETARY OF THE TREASURY. On the 15th of February, when the 20 per cent was to be paid in, Graves paid nothing and offered to pay nothing. The Morgan syndicate, as we have been calling it, which had bid for the whole amount, actually paid to the subtreasury in New York the full amount which it could be required to pay and more on its bid for the whole \$100,000,000, and notified the Treasury Department that it had paid its whole amount in.

Senator PLATT. Twenty per cent on the whole \$100,000,000?

The SECRETARY OF THE TREASURY. Yes; more than 20 per cent on the whole \$100,000,000, and notified the Treasury Department by telegram.

Senator VEST. Did the fact that Graves was not a bona fide bidder have any effect on your mind in the transaction?

The SECRETARY OF THE TREASURY. It had this effect, that it justified me, as I thought, in treating his bid as a nullity, absolutely, so that the syndicate bid stood just exactly as if Mr. Graves's bid had never been made at all.

Senator VEST. And therefore you awarded to them as you did?

The SECRETARY OF THE TREASURY. Just the same as if I had rejected Graves's bid on the day the original award was made.

Senator VEST. And you did not consider that the rise in the bonds entered into the matter at all?

The SECRETARY OF THE TREASURY. I did not; nor would I have considered that a fall would have entered into it.

Senator JONES, of Nevada. Do you not think that the syndicate, in the case of a fall, would consider that the fall had entered into it?

The SECRETARY OF THE TREASURY. Well, I do not know what they would have considered. I considered only what our own position should be, and I consulted with the law officers of the Government.

Senator JONES, of Nevada. If, in case the price of the bonds fell, the syndicate could reject the bonds at the price they bid, ought not the Government to reject their bid if the price of the bonds rose?

The SECRETARY OF THE TREASURY. I think that is so; it should not all be on one side, of course.

Senator VEST. Did you not consider this transaction closed as an exchange of these bonds for gold when the awards were made, and was not that the legal position?

The SECRETARY OF THE TREASURY. No. On the contrary, when the awards were made, which I believe was on the 3d day of February, and a certain amount, thirty-two or thirty-three millions and something, whatever it was, was awarded to the syndicate at their bid, I suggested, and was not certain that it was not done until afterwards, that on the bottom of that paper there should be written a statement showing that the amount was awarded for the present; because we had, as I explained, grave doubts about the validity and good faith of the Graves bid. I then anticipated that something might occur that would prevent this bid from going through. I had not been able to get any satisfactory statement concerning the man's standing. In fact, we were not able to get his name in the directory. We could find no man of that name in the New York Directory except laborers or drivers of wagons, or some occupation of that kind. He had given us no address in New York or in San Francisco, and I had thought of putting at the bottom of this award some reservation; but it was not put in. I was not sure but that it should be put down that so much was awarded to the syndicate for the present, and thereby keep it open on the paper itself; but it was not done.

Senator VEST. Then you thought that you had the equitable jurisdiction, inasmuch as this bid of Graves had not been made in good faith, to apply the legal doctrine that fraud vitiated the whole transaction, and to consider the bid of Graves as equitably covered by the bid of Morgan and the syndicate?

The SECRETARY OF THE TREASURY. Yes.

Senator VEST. The blank bid?

The SECRETARY OF THE TREASURY. Yes. The whole amount was covered in terms by the Morgan bid, and the view I took of it was that if any bid had been fraudulently made, or was fraudulent for any reason, either because the man knew he was incapable of complying with it, or gave a fictitious name, or for any other reason, then it should be treated as no bid at all.

Senator VEST. Now, suppose a man had made a bid in good faith and through accident or misfortune found himself unable to comply with it, would you have applied the same rule?

The SECRETARY OF THE TREASURY. There were a few bids, small ones, comparatively, where the bidders were prevented by either not receiving their notices in time or not getting their money to the sub-treasury in time. We gave them time to pay; they had made bona fide bids.

Senator VEST. But suppose a party had made a bona fide bid and could not cover it even with time, would you have considered it as covered by the blank bid?

The SECRETARY OF THE TREASURY. I think I should.

Senator VEST. You did not have any such case?

The SECRETARY OF THE TREASURY. No; but I think it would have gone to the next best bidder.

Senator VEST. So that, to sum it up, you considered it your duty to award to the Belmont-Morgan syndicate all bids that either through fraud, accident, or misfortune were not paid or were not carried out by their bidders?

The SECRETARY OF THE TREASURY. That is stated a little too broadly, Senator—all bids that through accident or other cause were not carried out according to the terms of the circular; because we did allow some parties to get bonds who did not carry their bids out according to the terms of the circular.

Senator VEST. Then I will change my question so as to let it read: All bids that were not at all carried out.

The SECRETARY OF THE TREASURY. Yes.

Senator VEST. And that, no matter what the rise, the Government was to lose it?

The SECRETARY OF THE TREASURY. Yes; and that no matter what the fall, the Government would have had the advantage.

Senator VEST. Even if the party had made a bona fide bid, and was eventually unable to carry it out?

The SECRETARY OF THE TREASURY. They had bound themselves; they had made the bid and deposited the money.

Senator VEST. But after you made the award, it was a finality between the bidder and the Government.

The SECRETARY OF THE TREASURY. After I made the award, if he carried it out, it was a finality.

Senator VEST. Did not the fact that the Belmont-Morgan syndicate, having as you say in your printed communication first to the Ways and Means Committee and then to us, had not only complied with their contract under the protective clause and had even gone beyond it—did not that make you incline to favor them in every way possible?

The SECRETARY OF THE TREASURY. Not, I think in the least, Mr. Senator. At least I am not conscious of having been affected by anything of that sort.

Senator VEST. Yourself and the President were very much pleased at the way they had complied with their contract?

The SECRETARY OF THE TREASURY. Well, they had complied with their contract, as it was their duty to do.

Senator VEST. But they had gone beyond that, had they not?

The SECRETARY OF THE TREASURY. No; I think not, because the deposit of \$16,200,000, which I suppose is what you have reference to—

Senator VEST. Yes.

The SECRETARY OF THE TREASURY. That was simply in accordance with their contract to protect the reserve during the pendency of the transaction.

Senator VEST. So that that consideration did not enter into the matter?

The SECRETARY OF THE TREASURY. I am not conscious of the fact that it had any weight whatever with me.

Senator VEST. Do you remember what the fours of 1907 were worth in the market at the time you made this contract?

The SECRETARY OF THE TREASURY. You are back now to the syndicate contract?

Senator VEST. Yes; they were 113, were they not?

The SECRETARY OF THE TREASURY. The statement on page 203 gives the prices in January, 1895, of the bonds of 1907. On page 205 the committee will find the actuary's statement of the quoted prices of the 4 percents of 1907 for the month of February, 1895, and on the 8th of February, the day the contract was made, the price is given at 109.9476, which yielded the investor 3.034 per cent. The price is exclusive of accrued interest, which is the way the Government sells its bonds.

Senator VEST. And the sale was for——

The SECRETARY OF THE TREASURY. One hundred million dollars in gold at 3.75; that is to say, at a rate that yielded the investor 3.75.

Senator VEST. Running until 1925.

The SECRETARY OF THE TREASURY. Yes.

Senator VEST. That is all I wish to ask.

The CHAIRMAN. Does any other member of the committee desire to ask any questions?

Senator PLATT. I wish to ask a few questions. Will you state, Mr. Secretary, whether Mr. Morgan and his associates made any claim for this bid for these bonds on which Mr. Graves had defaulted, or did you notify him of any claim made by them?

The SECRETARY OF THE TREASURY. On the 15th day of February, as I have already said, which is the day on which the first installment of 20 per cent was required to be paid, Mr. Morgan and his associates made a deposit of some \$31,000,000 or \$32,000,000 in gold in the sub-treasury, and notified the Department that they had made a deposit sufficient to cover all that could be awarded to them under the contract. I am not prepared to say, without looking at the paper, that they made a specific claim in terms.

Senator PLATT. The 15th of February was the time when the 20 per cent was to be paid, and it came to be publicly known very soon afterwards, I suppose, that Mr. Graves had not made his payment?

The SECRETARY OF THE TREASURY. Mr. Graves was then trying to sell his bid in the market at New York, according to his letters to me, which I have sent to Mr. Dingley, chairman of the Ways and Means Committee.

Senator PLATT. What I wanted to ascertain was, when that fact became known Mr. Morgan claimed to have that amount awarded to him on which Mr. Graves had defaulted—whether he made a claim on you, or whether, when the time came, you simply notified him to take those bonds?

The SECRETARY OF THE TREASURY. Mr. Morgan, or someone connected with the syndicate sent a telegram. I do not know whether it is here or not; it ought to have been with the letter which I sent to Mr. Dingley. When Mr. Graves finally failed, I, after considering the matter for several days, sent a telegram to Mr. Morgan notifying him and his parties that they were required to take the bonds; the matter was held up for several days. I thought a great deal about it, and consulted the law officer of the Government about it and took such advice as I thought it necessary to take in a matter of such importance, and finally gave Mr. Morgan this notice.

Senator PLATT. I do not know whether you have answered yet whether Mr. Morgan in the meantime claimed the bonds.

The SECRETARY OF THE TREASURY. I heard nothing further from him.

Senator PLATT. That is what I wanted to know.

The SECRETARY OF THE TREASURY. I heard nothing whatever

from him after the date of the telegram on the 15th of February, which came in the afternoon of that day.

Senator VEST. After Graves failed to comply with the terms of his bid, were there any other offers, or were there offers made by anybody else to take these bids?

The SECRETARY OF THE TREASURY. Oh, yes; a great many.

Senator VEST. At a higher rate than the bid of Morgan?

The SECRETARY OF THE TREASURY. Yes.

Senator PLATT. Not as high as the market rate?

The SECRETARY OF THE TREASURY. No; none as high as the market rate. A great many people came to see me; Graves himself made a bid. When I say a great many, I mean perhaps thirty or forty.

Senator VEST. But you refused all these bids?

The SECRETARY OF THE TREASURY. After 12 o'clock on the 3d day of February, if I am correct as to the day of opening the bids and making the awards, I refused to receive bids from anybody.

Senator PLATT. If you had not required Mr. Morgan to take these, there were only two other things you were to do; one was not to get your \$100,000,000; the other was to readvertise.

The SECRETARY OF THE TREASURY. Or to sell at private sale.

Senator VEST. Do you know what these fours of 1925 are worth now?

The SECRETARY OF THE TREASURY. No; I do not. I do not look very regularly at those matters.

Senator WALTHALL. How long was it after the Graves bid was forfeited before Morgan was notified that he would be required to take this bid which had lapsed?

The SECRETARY OF THE TREASURY. I am not able to state the exact time. It was, I should say, from memory, probably a week; but I can get the exact time for you.

Senator WALTHALL. I think you will find in your communication, on page 184, that they were notified on the 19th day of February, 1896.

Senator VEST. That was about four days afterwards.

The SECRETARY OF THE TREASURY. I would not be certain about the date at all [consulting the book]. They were notified February 19, 1896, that they would be required to receive and pay for all the bonds that Graves and a few other smaller bidders had failed to take. That is correct, I presume.

Senator WALTHALL. When a bidder for a public building or for a contract to construct a public building fails to take up his bid, what is the custom of the Department—to give it to the next bidder?

The SECRETARY OF THE TREASURY. I do not know that there is any established custom about it; I think there is not. I think that in some cases, if the next bidder is willing to take it, the supervising architect or the board which has charge of the matter lets the next bidder have it, if he is within the limit. In some cases they readvertise where they think they can get better bids.

Senator WALTHALL. In those cases there is always a limit, is there not?

The SECRETARY OF THE TREASURY. Yes; because an estimate is made of the cost of the building, and if the bids are not within that estimate they are always rejected, as a rule.

Senator WALTHALL. Do you not consider that under the right which you reserve to reject any and all bids you could have rejected Morgan's bid for these lapsed Graves bids.

The SECRETARY OF THE TREASURY. I suppose I could have rejected the whole of Mr. Morgan's bids, but I do not suppose that I could have

rejected a part of a bid. My view of it was that I should have to reject all or take all of his bid—within the limit of \$100,000,000.

Senator WALTHALL. But the acceptance of Morgan's bid for Graves's bonds was a distinct transaction, was it not?

The SECRETARY OF THE TREASURY. That depends upon what view one takes of it. He made one bid only. It was two transactions in the sense that the award was not all made on one day.

Senator WALTHALL. But Morgan's bid for the other bonds was accepted before his bid for the Graves bonds?

The SECRETARY OF THE TREASURY. So much of his bid for the bonds as was better than the other bids was accepted on the one day.

Senator WALTHALL. But the acceptance of the Morgan bid for the Graves bonds was a separate and distinct transaction after you had accepted his bid for the other bonds.

The SECRETARY OF THE TREASURY. In that sense it was—it was done at a different time.

The CHAIRMAN. You said a moment or two since that there were a number of bids—twenty or thirty, perhaps—these bids that had been forfeited at higher rates than the syndicate bid. Have you data by which you can state to the committee the difference between the rates of these other bids and the syndicate bid?

The SECRETARY OF THE TREASURY. I will furnish the committee, every one of them, if they desire, and perhaps that will be the better way. I presume they are on file in the Department.

Senator WALTHALL. Going back to the syndicate bid, who initiated the negotiation with the Morgan syndicate?

The SECRETARY OF THE TREASURY. In February, 1895?

Senator WALTHALL. Yes.

The SECRETARY OF THE TREASURY. My recollection is that the negotiations, or the conversations, at least, in regard to the matter, began first on a visit by Mr. Belmont to this city some week or ten days, or it might have been two weeks, before this transaction was finally consummated.

Senator WALTHALL. At that time the short fours were selling at 113, according to this table?

The SECRETARY OF THE TREASURY. I do not remember; but it is shown in the tables. Shipments were going on, as stated in my communication, very rapidly, and of course the people were all uneasy and some of them came over here. I talked with a great many people on the subject of the financial situation, as I always do under such circumstances, not only bankers, but merchants and everybody else disposed to talk about it, and generally attempt to get all the information possible in regard to the exact situation. The situation was getting very critical, and you may remember that the President sent a special message to Congress as early as the 28th of January, I think, on the subject. It was at a time of apprehension and more or less excitement in the market that Mr. Belmont was here (he probably came on purpose; I do not know) and this matter was first mentioned; and then there were a great many cablegrams sent abroad to see whether anything could be done there—whether any person abroad would buy our bonds under the circumstances. A great many of those cablegrams I saw. There was a general indisposition apparently, from those cablegrams, to have anything to do with United States securities at that time.

Senator WALTHALL. You say the Government was under a pressing exigency at the time this contract was made with the syndicate. Could

not that exigency have been guarded against or prepared for by earlier action on the part of the Treasury Department?

The SECRETARY OF THE TREASURY. It is possible it could, Mr. Senator, but, as I have just said, we had asked for legislation, and we thought it was hardly respectful to Congress to undertake to negotiate a sale of bonds pending the very legislation which the President in his message had asked for; and we waited, therefore, until the morning after the failure of that legislation. Then we proceeded to take final action.

My information from the assistant treasurer at New York was that in his opinion all the gold we had would be taken out within forty-eight or sixty hours unless something were done. And that seemed to be the opinion of the best-informed people with whom I conversed. I thought the situation was very critical.

Senator PLATT. You say that there was no gold coin in the Treasury?

The SECRETARY OF THE TREASURY. Not a dollar belonging to the Government.

Senator PLATT. Had you been paying out bullion?

The SECRETARY OF THE TREASURY. Let me add what I have not, up to this time, stated, that we had outstanding gold certificates for which we held, in fact, no gold coin, because the demands upon the Treasury had been so great that the coin had been paid out until we had actually reached a point where we did not have the gold coin to redeem the certificates if they had come in.

Senator PLATT. That is to say, you had used the coin which was pledged for the certificates, or against which the certificates went out?

The SECRETARY OF THE TREASURY. We had used some of that coin, and we had furnished bullion for shipment, and I had ordered from points in the West—San Francisco, St. Louis, etc.—gold to be concentrated at New York, and had given directions to the assistant treasurer in New York that when demands were made for gold he should fill them in the order in which they came—in chronological order as they came in.

Senator PLATT. You say in your statement that demands had been made for several millions?

The SECRETARY OF THE TREASURY. That was stopped, as I stated. The report went out that we were negotiating a loan and the withdrawals were suspended between the visit of Mr. Curtis to New York and the 8th of February, when we made the contract.

Senator PLATT. I merely spoke of it as showing the exigency of the Treasury at the time.

The SECRETARY OF THE TREASURY. Yes; that was the situation.

Senator VEST. I suppose, Mr. Secretary, you never contemplated at all tendering silver to any of those people who came there with their notes for gold?

The SECRETARY OF THE TREASURY. No; I did not, because my opinion was that if we did that the currency would break down at once.

Senator VEST. But my recollection is that you stated to the Ways and Means Committee of the House that if your predecessor in the Treasury Department, Mr. Foster, had not declared that he would pay gold upon the demand of the holders of the notes, that you thought that would have relieved the Treasury.

The SECRETARY OF THE TREASURY. I said—and it is a mere opinion which I have expressed more than once—that if the Government, at the beginning of resumption, had adopted the policy of paying either

gold or silver, or paying half gold and half silver, and had adhered to that policy all the way through, the business of the country would have adjusted itself to it, the public would not have expected a different course, and it could have been carried out. But I said then, as I have always said, that after the present policy had been adopted and adhered to so long, it would have been dangerous to depart from it, especially at a time of apprehension and distrust.

Senator PLATT. That if you were to do it at all, it should be at a time when you had a full reserve?

The SECRETARY OF THE TREASURY. Yes; that is it exactly. And as I have been asked about paying silver, I will say that I have seen it stated that the Secretary of the Treasury had given orders at one time to the assistant treasurer at New York to pay silver on the Treasury notes, and had afterwards changed those orders, and that the Secretary of the Treasury had at one time given out a public statement in which he announced his purpose to pay silver on the Treasury notes.

I desire to say to the committee that the only orders on that subject which I ever gave to the assistant treasurer in New York are here [indicating papers in his hand].

The 21st day of April, 1893, was the day on which I felt satisfied from what was then going on in financial circles that we would fall below the hundred-million reserve. Up to that time the reserve had been above one hundred millions, but I became satisfied on the day before this that the withdrawals of gold were going on and increasing at such a rate that before business closed the next day we would be below the \$100,000,000. I knew that there was a sort of superstition, if I may call it that, in the public mind, that if we touched the one hundred million reserve a great catastrophe would follow, and that the Sherman notes would be paid in silver. So, in the course of the evening before that, I prepared a statement, quoting the statutes upon the subject, and I consulted with the President about it, and we determined that under the provision of the Sherman act of 1890, which directed the Secretary of the Treasury to redeem the Sherman notes in gold or silver at his discretion on the demand of the holder, we had a right to use any gold in the Treasury for that purpose.

Up to that time the question had been very much discussed, especially in New York, where it had created considerable uneasiness, whether when we reached the hundred millions—that is to say, when we got down to the point where we had no gold in the Treasury except what had been realized from the sale of bonds under the resumption act—we could continue to use gold for the redemption of the Treasury notes of 1890. In other words, whether, the gold realized from the sale of bonds, was not dedicated under the law to the redemption of the old notes exclusively.

Senator WALTHALL. The greenbacks?

The SECRETARY OF THE TREASURY. Yes; so when we began to reach the point where we were evidently going to reach the hundred millions, that question being, of course, a very important one, we consulted about it. There were a great many inquiries from New York about it. People were inquiring of the assistant treasurer to know whether we were going to pay Treasury notes in gold after we got below the hundred millions. On the morning of the 21st of April my public statement, the only one I ever made on the subject, was published, and I have it here. The same morning, as soon as I reached my office, I

sent for the Treasurer and directed him to send this telegram to New York:

[Translation of code telegram sent April 21, 1893, at 10 a. m., by Postal Telegraph and Cable Company.]

TREASURY OF THE UNITED STATES,
Washington, April 21, 1893.

ASSISTANT TREASURER UNITED STATES,
New York City:

Go ahead as usual. Receive Treasury notes of eighteen ninety if presented for gold coin for export or other withdrawals. Do not make any change in methods until advised by the Secretary of the Treasury. Answer.

J. F. MELINE,
Assistant Treasurer United States.

We did not get any answer to that; so at 11.30 we sent the following:

[Translation of code telegram sent April 21, 1893, at 11.30 a. m., by Postal Telegraph and Cable Company.]

TREASURY OF THE UNITED STATES,
Washington, April 21, 1893.

ASSISTANT TREASURER UNITED STATES,
New York City:

Yours received regarding two million dollars to-day. Hereafter give hour. Have you received mine sent at 10 to-day? Treasury notes of eighteen ninety must be accepted. The Secretary of the Treasury wants no change; in other words, go ahead as usual. Treasury notes of eighteen ninety, if presented, must be redeemed in gold coin. Do you understand? Wire me quick.

J. F. MELINE,
Assistant Treasurer, United States.

These telegrams were sent for the reason that there was a great deal of uneasiness over there, and I was afraid the assistant treasurer might refuse to pay gold for Treasury notes. These were the only orders I ever sent or ordered to be sent on the subject.

Senator PLATT. About that time it was published in dispatches from Washington that you were contemplating the question of whether you would not redeem some of the notes in silver.

The SECRETARY OF THE TREASURY. I think there were a great many dispatches sent. I did consider the question, as I have just stated, as to what my authority and duty was under the act of 1890, and gave out a statement, published on the 21st of April, 1893, in which I said this:

In the exercise of the discretionary power conferred upon the Secretary of the Treasury by the act of July 14, 1890, he has been paying gold for the coin Treasury notes issued for the purchase of silver bullion, and he will continue to do so as long as he has gold lawfully available for that purpose. Under this process the Government has been, and is now, paying gold for silver bullion, and storing the silver in its vaults, where it is as useless for the purposes of circulation or redemption as iron, lead, or any other commodity.

* * * * *

No order has been made to stop the payment of gold upon these notes, nor has any one been authorized to say that such an order would be issued. The purpose of the Government to preserve its own credit unimpaired and maintain the parity of the two metals by all lawful means will not be abandoned under any circumstances.

That was given out to the press on the evening before, on account, as I have said, of the great uneasiness prevailing in the New York market by reason of the newspaper statements made that we would pay the Treasury notes in silver after getting below the \$100,000,000.

Senator PLATT. There is an impression prevailing in certain quarters—and you have an opportunity now to say about it anything that

you wish—that prior to that time you had allowed it to get out through the press, perhaps as a feeler, that you might under certain circumstances pay silver coin, and that that coming to the ears of the President, he said that that was not to be done. I do not know whether you said anything of that kind, but I would like to have you make a statement on that point.

The SECRETARY OF THE TREASURY. I have heard that report. The only conversation that I remember to have had on the subject outside of the officials of the Government, though perhaps I may have had others—was with Senator Vest, on the street. We had a conversation at some time before the date to which I have referred, in which I stated to him that there was a question of this kind which would have to be decided when we reached that point, and that there was room for doubt as to what the Government could lawfully do, but that we had not yet reached the question, but we would soon have to consider it.

But as to my giving out any information, and as to the President having overruled me or sent for me to talk about it, there is not a word of truth in the statement. Three days afterwards—that is to say, after the publication of the statement which, as I said, appeared on the morning of April 21, 1893—the President made a statement on the subject, in which he said:

The inclination on the part of the public to accept newspaper reports concerning the intentions of those charged with the management of our national finances seems to justify my emphatic contradiction of the statement that the redemption of any kind of Treasury notes except in gold has at any time been determined upon or contemplated by the Secretary of the Treasury or any other member of the present Administration.

On the evening of the 20th of April I had, as already stated, a long conference with the President on this question, in which we had, and used, a written statement of mine containing extracts from the various statutes in a convenient form for discussion, and then it was that, after considering the matter as carefully as we could, we determined that under the provisions of the Sherman law the Secretary had the right to use the gold in redemption of the Treasury notes.

Senator PLATT. At the time of the purchase of gold in February, 1895, were there any other parties except Belmont and Morgan who were ready to come forward at any price with the amount of gold which they sold to the Government?

The SECRETARY OF THE TREASURY. I knew of no one in this country that I supposed was able to furnish that amount of gold, and nobody else offered to do it or made any suggestion that it could be done.

Senator PLATT. Do you believe that you could, with the pressure that there was on the Treasury at that time, have obtained from any other parties, with such a contract to protect the Treasury, the amount of gold that you got from Morgan & Co., unless at a very much less rate?

The SECRETARY OF THE TREASURY. You assume in that question that Morgan and Belmont took all the bonds. They did not. They were simply the head of a large number of institutions that came in and furnished the gold.

Senator PLATT. They agreed to do it?

The SECRETARY OF THE TREASURY. They agreed to furnish it; they were the managers of the syndicate, but they did not themselves constitute the whole syndicate. A great number of banks, trust com-

panies, and institutions of various kinds, and perhaps private individuals, went in with them. In other words, by that contract we got the benefit of all the gold apparently that could be obtained in this country at that time with a stipulation that one-half should come from abroad, which, however, as has been stated, was modified to a certain extent afterwards.

I presume I can furnish to the committee, if they desire it, the names of all the persons who furnished gold for this transaction. Morgan & Belmont, and on the other side Rothschild & Co., and J. Morgan & Co. were the parties with whom we made the contract and to whom we looked for its fulfillment. But at the same time they, in order to raise this gold, took in with them a great number of other institutions. How much of the bonds J. P. Morgan & Co. got and how much Belmont got I know nothing about. They can tell that, I suppose.

Senator PLATT. The point of my question was whether there were any other parties who would or could.

The SECRETARY OF THE TREASURY. I knew of none who were willing to take charge of so large a transaction as that and get the gold.

Senator PLATT. And at the same time provide for the protection of the reserve.

The SECRETARY OF THE TREASURY. As I have said, that feature of the contract was not agreed on until very late in the morning—until just before we wrote the contract. But I knew of no one else who would undertake to furnish the gold.

Senator VEST. As you have alluded to a conversation you had with me, and as I have possibly stated it to one or two friends—I made no publication of it, though I may have alluded to it once in a remark in the public press as to what I thought about it—I will ask you a question with reference to that conversation. Do you not remember that in that conversation you stated to me, speaking of the probability of your being forced to go below the reserve, that you had one remedy, and that was the option that was given to you to pay out gold or silver under the act of 1890?

The SECRETARY OF THE TREASURY. I may have said that.

Senator VEST. And that you further stated that but for the fact that Congress had put into that act the statement of the policy to maintain the parity of the two metals, you would do it.

The SECRETARY OF THE TREASURY. I do not remember that, Senator, but that certainly was, as I have always thought, a sufficient reason why I ought not to do it.

Senator VEST. Did you not make that statement—that you were very much concerned about it; that you were satisfied they were running on the Treasury, and that you were also satisfied they would bring you below the one hundred million dollars the next day probably, or within a few days.

The SECRETARY OF THE TREASURY. A few days.

Senator VEST. Did you not suggest that you were certain you had this remedy, and that the only reason you would not use it was the declaration of the Government to maintain the parity?

The SECRETARY OF THE TREASURY. I do not remember the exact language; but I remember that the injunction, as I regard it, on the Secretary of the Treasury to maintain the parity constituted a conclusive reason why I should not pay out silver if the parties demanded gold.

Senator VEST. You did not say at that time anything about Foster having established a precedent and that it was now dangerous to break it?

The SECRETARY OF THE TREASURY. I do not remember that I did; it was a casual conversation we had on the street.

Senator VEST. Yes; you were going home, as I remember, and I was going home. Now, do you not remember that a few days afterwards I had a conversation with you in the Treasury Department in which you said that the President had sent for you and that you were satisfied it was clear to him, or that it was his opinion (I am not certain about the exact language)—that it was his idea that when the holder of the notes (greenbacks or Sherman notes) demanded gold, you should pay gold?

The SECRETARY OF THE TREASURY. I do not remember that conversation at all in the Treasury Department. The only conversation I remember with you was the one we had on the street.

Senator VEST. And that you stated at the same time that he had called a Cabinet meeting for the next morning?

The SECRETARY OF THE TREASURY. While I am not at liberty to say what occurred at Cabinet meetings, I can state what did not occur; this question never came up for discussion at a Cabinet meeting.

Senator PLATT. There was no obligation on you to advertise for proposals for bonds when you wished to obtain gold?

The SECRETARY OF THE TREASURY. No legal obligation. There was the official obligation to do the best I could for the Government and the people.

Senator PLATT. And I suppose that the transaction with Belmont, Morgan & Co. was under section 3700 of the Revised Statutes?

The SECRETARY OF THE TREASURY. Yes; and the Department had been receiving a considerable amount of gold under that section before this contract. We have received \$114,000,000 in gold in exchange for such forms of currency as I could use for that purpose.

The CHAIRMAN. Is there any further question which any member of the committee desires to ask? [A pause.] If there be none, is there any other statement which the Secretary wishes to make?

The SECRETARY OF THE TREASURY. I have no further statement to make, Mr. Chairman, except to say to the committee that if there are any statistics or documents in the Department, or if there is any further information that I can give them, I shall be glad to do it.

Senator VEST. Did you ever send any other agent to New York with regard to the bond transactions except Mr. Curtis?

The SECRETARY OF THE TREASURY. Never.

Senator VEST. Is Mr. Curtis here?

The SECRETARY OF THE TREASURY. Yes; he is at the Department.

Senator PLATT. I will ask you one further question, though perhaps it has been answered already. You will remember that just previous to the issuing of your last proposals for the \$100,000,000, the matter was discussed in the Senate about whether these bonds which you were contemplating then issuing should be offered to the public, and that at the same time, or about the same time, there was a pretended contract, or form of a contract, with Morgan and others published in the New York World. I think you have already answered that, but if not I would like to know whether there was ever anything reduced to writing anywhere relating to a contract for supplying gold as gold had been supplied under the Morgan contract.

The SECRETARY OF THE TREASURY. Not only was there never anything reduced to writing, but there was never a word said by the Secretary of the Treasury to anybody, or by anybody to the Secretary of the Treasury about a contract. I saw the publication, to which you allude. It purported to be, not a contract with the Government of the

United States at all, according to my recollection, but a contract or form of a contract between certain individuals in New York for the formation of a syndicate. It was said in the newspapers that this syndicate was being formed on account of the fact that there was a negotiation pending between these gentlemen and the Government for the sale of bonds. Now, the first time that I ever knew from any authentic source that such an arrangement was being made in New York was about the 3d of January of the present year, which was about a week or ten days after this statement began first to be published in the newspapers. Of course I had seen the publication in the newspapers, but I have seen so many things in the newspapers that I personally knew to be untrue that I attached very little importance to it.

On the 3d of January, however, Mr. James Stillman, of the City National Bank of New York, was here attending a reception, and in the course of the evening I had a conversation with him on this subject. He told me that certain gentlemen were getting ready to take any bonds that the Government might offer to sell; that they believed in New York that the situation was such that the Government would be compelled to sell bonds and they were getting ready, as they were dealing in such securities, to bid for them, if they were offered at public sale or take them in any other way that the Government might offer them; but no one here had anything to do with the matter.

Senator JONES, of Nevada. Was there a bid made by the Morgan syndicate for bonds made specifically payable in gold?

The SECRETARY OF THE TREASURY. No bids, but simply the stipulation put in this contract which you have seen—that they would take such bonds at par; that is to say, that they would take those bonds provided Congress should authorize their issue, and that they would furnish the gold at a price which would make the bonds go at par; in other words, the Government, in place of paying 3.75 per cent interest, would pay 3 per cent.

Senator JONES, of Nevada. They would have taken them at a larger price if there was a stipulation to that effect?

The SECRETARY OF THE TREASURY. That is it. They proposed to take them at a price which would have required the Government to pay only 3 per cent, whereas, as it was, they were taking them at a price which made the Government pay 3.75.

Senator JONES, of Nevada. That is a sort of premium, is it not, that we pay for the privilege of paying those bonds in silver?

The SECRETARY OF THE TREASURY. Well, I have never thought myself that they would be paid in silver. We have always paid in gold.

Senator JONES, of Nevada. I should think that as we are paying for the privilege we ought to make those bonds an exception.

The SECRETARY OF THE TREASURY. They are like all other bonds of the Government, and I think they will all be paid in gold, but I may be mistaken about that. The difficulty about the bonds was that people abroad seemed to be afraid that they would not be paid in gold, and that the people they were to get half the gold from feared it.

Senator JONES, of Nevada. I should suppose that was a matter wholly between them and the people abroad, and not between the Government and the people abroad, or anybody else.

The SECRETARY OF THE TREASURY. Except that we wanted to get the gold, and, of course, when you need money you have to get it on the best practicable terms. I think we did the very best we could. At one time we almost came to the conclusion that we could make no transaction at all, as we were afraid we could not make acceptable terms.

I recognized the fact that the terms were hard for the Government. We at one time suggested to those gentlemen whether we could not make a public advertisement, and, pending that, procure from them and from others in New York a sufficient amount of gold, say, \$20,000,000 or \$25,000,000, or whatever the amount might be, to carry us along during the pendency of our call, our experience having shown that always during the pendency of a call more or less gold was taken out. They at once said that they would do that very cheerfully; that they would give up all the gold they had provided they could have any assurance that it would stay in the country. They believed that any gold which they might put in the Treasury in exchange for notes would be immediately taken out of the Treasury and shipped from the country. They reasoned, and I thought it very good reasoning, that it would do the country no good and the Treasury Department no good to have the gold go into the Treasury and then go immediately out again.

The Secretary of the Treasury withdrew.

**TESTIMONY OF MR. WILLIAM EDMOND CURTIS, ASSISTANT
SECRETARY OF THE TREASURY.**

WASHINGTON, D. C., *June 15, 1896.*

Mr. William Edmond Curtis sworn and examined.

Senator VEST. We wish to know, Mr. Curtis, something in regard to your action with reference to the sale of bonds by the Government during this Administration. Did you go to New York as an agent of the Treasury Department?

Mr. CURTIS. Which sale of bonds?

Senator VEST. The "syndicate" sale, as we call it. Did you go to New York with reference to that?

Mr. CURTIS. Yes.

Senator VEST. How many times did you go there as an agent of the Treasury Department in regard to the sale of bonds?

Mr. CURTIS. I can not tell. I have been there a great many times.

Senator VEST. When did you first go there, and in regard to what sale?

Mr. CURTIS. The sale of February, 1894. You say "as an agent." I went there simply in my capacity as Assistant Secretary of the Treasury.

Senator VEST. I mean were you detailed or sent there by the Secretary of the Treasury?

Mr. CURTIS. Yes.

Senator VEST. You say you went there first in 1894?

Mr. CURTIS. In 1894.

Senator VEST. That was when the first sale of \$50,000,000 was made?

Mr. CURTIS. Yes.

Senator PLATT. The first sale was made in January, 1894?

Mr. CURTIS. Yes; January, 1894.

Senator VEST. What were your instructions?

Mr. CURTIS. They were verbal, from the Secretary of the Treasury, at first to look into the situation and see what was going on in New York, especially in the subtreasury, and afterwards to take such ordinary business steps as would be necessary in case the sale of bonds was completed. You see, at that time, we had to watch the gold reserve very carefully.

Senator VEST. Were those all the instructions you received?

Mr. CURTIS. Those were the only instructions I received.

Senator VEST. What did you do in New York? Whom did you see?

Mr. CURTIS. I saw Mr. Jordan in the subtreasury in New York and other persons in that office, and a number of other people.

Senator VEST. What other people did you see?

Mr. CURTIS. At that particular time I can not remember the individuals, because I was constantly seeing people.

Senator VEST. Did you go especially to any capitalists or bankers?

Mr. CURTIS. Before that first issue of bonds, in January, 1894, I had a conversation with Mr. Jordan, and Mr. Stewart, of the United States Trust Company, and some members of the clearing house, I think, and, of course, a large number of other people, because I was engaged in endeavoring to get the temper of the situation—to understand what the real situation was, and what people thought and felt.

Senator VEST. What do you mean by “the temper of the situation”—were you sent there to ascertain what those people thought about it—the capitalists and bankers?

Mr. CURTIS. I was sent there to find out what people generally thought about it—what the actual situation was; what the effect of those withdrawals of gold were having on public confidence and how people generally looked upon it.

Senator VEST. You do not mean to say that you expected to see the people of New York generally?

Mr. CURTIS. Oh, no.

Senator VEST. Whom did you see; what bankers and capitalists? Name some of them.

Mr. CURTIS. I saw Mr. Fairchild, I think, at that time.

Senator JONES, of Nevada. What Mr. Fairchild was that?

Mr. CURTIS. Mr. Charles S. Fairchild; formerly Secretary of the Treasury. It is very difficult for me to say now whom I saw on the different occasions when I went there.

Senator VEST. But you went there for a special purpose?

Mr. CURTIS. Yes.

Senator VEST. Under special instructions?

Mr. CURTIS. No; not under special, but under general instructions.

Senator VEST. You went there, as I understand you, to ascertain the conditions generally and to see business men, I take it?

Mr. CURTIS. Yes. You see, we were about at that time to put out an issue of bonds, and it was necessary to know what the situation was in order to know what to do.

Senator JONES, of Nevada. Let me understand. What was it that you wanted to find out; whether the bonds would sell or whether there was a necessity to sell bonds? What was the information you wanted from those people?

Mr. CURTIS. I think that when I first went over in that connection, in the winter of 1894, it was to find out as much as possible and get information on the subject of the withdrawals of gold, and how people looked upon them—the general financial condition—whether people thought those withdrawals would continue, and what the foreign people thought, so far as I could gather from others. Of course, I talked up this matter with gentlemen whom I met in the clubs and in the streets and in other places, just as you would get the general temper of a matter anywhere. Of course, reading the newspapers and financial journals had something to do with it. I can not tell you with whom I conversed specifically at any particular time.

Senator VEST. You could have read the newspapers and financial

journals in Washington. But what I want to get at is, Whom of those capitalists did you see? Did Mr. Carlisle mention anybody whom he wished you to see particularly?

Mr. CURTIS. Except Mr. Fairchild, I do not remember anybody whom Mr. Carlisle mentioned.

Senator VEST. Did you see Mr. Morgan on that visit?

Mr. CURTIS. No.

Senator VEST. Or Mr. Belmont?

Mr. CURTIS. No.

Senator VEST. You saw Mr. Stewart of the trust company?

Mr. CURTIS. I saw Mr. Stewart of the United States Trust Company, and I think Mr. King of the Union Trust Company.

Senator VEST. How long did you stay in New York?

Mr. CURTIS. I don't remember; I go there very constantly. The ordinary business of the Treasury frequently requires me to go there twice a month without regard to anything else.

Senator VEST. What did you report to Mr. Carlisle?

Mr. CURTIS. I do not recollect, upon that occasion, except that I told him, generally, the conclusions I had reached.

Senator VEST. What were those?

Mr. CURTIS. At that time, in regard to that first issue of bonds? Well, my conclusions, as far as that particular issue was concerned, so far as I recollect, were that the people over there would subscribe. We had been under some doubt as to whether they would.

Senator VEST. You say you thought they would subscribe?

Mr. CURTIS. Yes; I thought they would subscribe—that the loan would be taken. Those were the conclusions that I particularly remember in connection with that first issue.

Senator VEST. Then your mission must have been to find out whether you could float the bonds in New York?

Mr. CURTIS. Yes; that was part of it.

Senator VEST. It was not, then, so much (as you have stated) to find out what was the financial sentiment in regard to issuing bonds at all, but it was to know whether you could float them?

Mr. CURTIS. Yes; but not in the earlier visits—this particular time was not until after the circular had been issued. There was a preliminary circular issued and it was subsequent to that time that some doubts arose as to whether the bonds would be subscribed for, and that was the time that I reached the conclusion that they probably would be, and came back and so reported to Mr. Carlisle.

Senator VEST. You made more than one visit, then, in regard to that particular issue of bonds?

Mr. CURTIS. I presume I did; in fact, I am quite sure of it.

Senator VEST. When did you go to New York again in regard to the sale of bonds?

Mr. CURTIS. These matters in regard to the sales of bonds were taken up incidentally in connection with many other matters of the Treasury, and upon occasions when I was over there. I was not specifically sent by any order of Mr. Carlisle.

Senator VEST. You were sent there by Mr. Carlisle specifically, were you not?

Mr. CURTIS. On some occasions, yes.

Senator VEST. When were you sent there next?

Mr. CURTIS. You mean in regard to the prospective sale of bonds?

Senator VEST. Yes.

Mr. CURTIS. Subsequent to that first sale? I do not know or recol-

lect that I had any special instructions to go there in regard to the second sale at all. I may have been over there, but just at that time the Secretary was preparing his annual report, and I have some doubts as to whether I went over there in connection with the second sale at all.

Senator VEST. Did you go in regard to the next sale?

Mr. CURTIS. Oh, yes; I went in regard to the next sale. I had been back and forth to and from New York during December, 1894, and January, 1895, because the drafts on the gold reserve had become very serious and necessitated moving gold from other parts of the country to New York. There was considerable detailed work in the subtreasury concerning it, and I had to consult Mr. Jordan. The first specific instructions I had from Mr. Carlisle in regard to that sale which you call, as I understand, the "syndicate" sale, were to go and see Mr. Belmont.

Senator VEST. Mr. Carlisle told you that?

Mr. CURTIS. Yes; so I left here in the morning and saw Mr. Belmont at his house in the evening.

Senator VEST. What time was that—in January?

Mr. CURTIS. That was at the end of January; I think the 30th or 31st. Wednesday evening, the 30th of January, to the best of my recollection, was the time I saw Mr. Belmont at his house.

Senator VEST. What instructions did Mr. Carlisle give you that you were to say to Mr. Belmont?

Mr. CURTIS. To talk the matter over with him; to talk the situation over with him, and see whether anything could be done to get gold from abroad.

Senator VEST. Did he authorize you to make any proposition to Mr. Belmont?

Mr. CURTIS. No.

Senator VEST. Did he tell you to make any suggestion to Mr. Belmont as to what the Treasury would do?

Mr. CURTIS. No; I do not think he did.

Senator VEST. What did he say to you? He did not tell you to go there and see Mr. Belmont?

Mr. CURTIS. He told me to go and see Mr. Belmont and talk over the situation.

Senator VEST. "Talk over the situation." And was that all?

Mr. CURTIS. That was all.

Senator VEST. Did you not just state, to "see whether anything could be done to get gold from abroad?"

Mr. CURTIS. That was the part that we particularly conversed about but we discussed the general situation. Of course I have not read Mr. Carlisle's testimony, and I can not say what his thoughts may have, been on the subject which led him to make a suggestion of this kind.

Senator VEST. That is not the point. I asked you whether Mr. Carlisle told you to make any suggestion to Mr. Belmont as to what the Treasury would do in order to enable him to get the gold or if he would get the gold from abroad.

Mr. CURTIS. None whatever.

Senator VEST. You were just to go over and talk to him generally about the matter and to ascertain whether the gold could be got from abroad?

Mr. CURTIS. Whether the gold could be got from abroad. At that time the prospect of an issue of bonds had already been suggested and was in the public mind.

Senator VEST. I understand that you went to Mr. Belmont's house that night.

Mr. CURTIS. I did.

Senator VEST. What did he say?

Mr. CURTIS. We had a long conversation on the general situation. He had some cable messages. He had been making inquiries abroad as to various possibilities, as I recollect it, both for the purchase of gold and the sale of bonds, etc.

Senator VEST. How did he happen to have been making inquiries abroad; did he tell you?

Mr. CURTIS. He told me so.

Senator VEST. Did he do so on his own suggestion or motion or the suggestion of the Treasury Department?

Mr. CURTIS. He had no suggestion from me.

Senator VEST. Do you know whether he had any from the Secretary of the Treasury?

Mr. CURTIS. I do not know what prior conversation had taken place, if any.

Senator VEST. Did he say whether anything had passed between him and Mr. Carlisle.

Mr. CURTIS. Nothing whatever.

Senator VEST. Did he explain to you how he happened to be getting gold from abroad when you were sent there to know if he could get gold from abroad? How did he happen to have been at work on this thing before you got there.

Mr. CURTIS. I think he had already had some prior conversation with the Secretary.

Senator VEST. That is what I asked you.

Mr. CURTIS. Or communicated with him in some way.

Senator VEST. He had been in communication, then, with the Secretary of the Treasury with respect to getting gold from abroad?

Mr. CURTIS. No; I won't say that.

Senator VEST. Well, how do you get that impression—from what source do you get it?

Mr. CURTIS. I can not say. I had the impression in my mind but it might have been long prior to that time—that there might have been a conversation between Mr. Carlisle and Mr. Belmont.

Senator VEST. Did Mr. Carlisle tell you to see anybody else except Mr. Belmont?

Mr. CURTIS. Not at that time.

Senator VEST. Was there anything said then about making up a syndicate of bankers abroad to take this loan or furnish the gold?

Mr. CURTIS. No. Mr. Belmont was very much afraid that evening that nothing could be done. His advices from abroad were very unsatisfactory.

Senator VEST. What date was that?

Mr. CURTIS. That was the evening of the 30th, Wednesday evening.

Senator VEST. How long did you stay in New York?

Mr. CURTIS. I stayed in New York until the next afternoon at 5 o'clock.

Senator VEST. And you saw no one but Mr. Belmont on these subjects?

Mr. CURTIS. Oh, yes; during that time I saw Mr. Jordan. I had instructions by telephone from Mr. Carlisle, and I saw Mr. Jordan again at the subtreasury. I also saw Mr. Morgan at that time, and I saw four or five gentlemen who were gathered together in Mr. Jordan's private office and who were there when I went down there. They were members or representatives of some gold-exporting houses, but I can

not at this time state what their names were. In fact, there were some of them whose names I did not know.

Senator VEST. You say you had received telephone dispatches from Mr. Carlisle?

Mr. CURTIS. Yes.

Senator VEST. And did you telephone to him?

Mr. CURTIS. Yes.

Senator VEST. What did you telephone to him as to your conversation with Mr. Belmont?

Mr. CURTIS. As far as I recollect, it was that Mr. Belmont took rather a pessimistic view of the situation, and I told him that I wanted some further instructions. We discussed the matter back and forth, and he told me to see Mr. Morgan. This was in the morning, about half past 9 or 10 o'clock.

Senator VEST. This was the morning on which you sent the telephone message to Mr. Carlisle. He told you then to see Mr. Morgan. Where did you then see Mr. Morgan, and when?

Mr. CURTIS. I saw him first, I think, in his office, but I am not sure of that. However, I saw him at the subtreasury later, in company with Mr. Belmont.

Senator VEST. He was talking to Mr. Belmont?

Mr. CURTIS. Yes.

Senator VEST. What did you say to Mr. Morgan?

Mr. CURTIS. I told him that I had this conversation with Mr. Belmont the preceding evening, and asked him whether he thought anything could be done; said that there seemed to be a necessity to sell bonds at that time or to do something to sustain the credit of the Government, and I told him that I thought the situation was a bad one. He said that he would cooperate with Mr. Belmont and do what he could, and see whether they could not get a market for some bonds abroad, and that, meanwhile, he would make some inquiries. I came back to Washington that afternoon and reported to Mr. Carlisle the result.

Senator VEST. What was this collection of gold exporters for? How did that happen?

Mr. CURTIS. Well, at that time there was great excitement in New York; there was a panic, practically, among certain people, and everybody was in a state of unrest. These people had gathered there because they had heard that I was coming to the subtreasury in the morning and they wanted to see me. They were engaged in the banking business, and particularly in the exporting of gold, which was being exported in very large quantities at that time.

Senator VEST. You had made no arrangement to meet them?

Mr. CURTIS. No.

Senator VEST. You did not know they were there?

Mr. CURTIS. No.

Senator VEST. You had no instructions to meet them?

Mr. CURTIS. None whatever.

Senator PLATT. Did you see Mr. Belmont and Mr. Morgan in company with the gold exporters?

Mr. CURTIS. No.

Senator VEST. Where did you see Mr. Belmont and Mr. Morgan—was it down at Mr. Jordan's office?

Mr. CURTIS. Yes.

Senator VEST. Where did you see those gold exporters?

Mr. CURTIS. At Mr. Jordan's office.

Senator PLATT. But at another time?

Mr. CURTIS. Oh, yes; early in the day. Mr. Belmont and Mr. Morgan were not there together until later in the day. I did not have my second interview with Mr. Morgan and Mr. Belmont until 1 or 2 o'clock.

Senator VEST. What did those gold exporters want? You say they wanted to see you. What did they want to know?

Mr. CURTIS. They wanted to know what the Government was going to do. They felt over there that the Government would have to do something or that there would be serious difficulty. They were better posted than anyone else as to the condition of the Treasury. They knew how much gold coin there was, and they knew the situation better than anyone else. Fortunately, it was not known to the public.

Senator VEST. Did you have any conversation with them as to what the Government wanted or intended?

Mr. CURTIS. No, indeed.

Senator VEST. When they wanted to know what the Government was going to do, what did you reply to them?

Mr. CURTIS. I said I did not know.

Senator VEST. And you came back to Washington that night?

Mr. CURTIS. I came back that night.

Senator VEST. You gave them no satisfaction at all, then, as to the movements of the Treasury Department?

Mr. CURTIS. None whatever.

Senator VEST. What did you report to Mr. Carlisle when you came back?

Mr. CURTIS. That I had these conversations with Mr. Belmont and Mr. Morgan, and that they would make some inquiries abroad and see what could be done.

Senator VEST. What next did you do in regard to this matter?

Mr. CURTIS. I went back to New York on a Friday night and saw Mr. Morgan and Mr. Belmont at Mr. Morgan's house on Saturday morning.

Senator VEST. What date was that?

Mr. CURTIS. That must have been the 2d of February.

Senator VEST. You saw Mr. Belmont on Saturday morning, the 2d?

Mr. CURTIS. That is my recollection.

Senator VEST. At whose house—Mr. Morgan's house?

Mr. CURTIS. Mr. Morgan's house.

Senator VEST. Had you telephoned over there, or had he communicated to you what passed between you?

Mr. CURTIS. I think I had telephoned during the preceding afternoon that I would take that train and see them in the morning.

Senator VEST. Did you have instructions from Mr. Carlisle?

Mr. CURTIS. Yes.

Senator VEST. What were the instructions?

Mr. CURTIS. The instructions from Mr. Carlisle were to talk over the matter further and to see upon what basis, if any, a negotiation might be entered into. We had had some conversation already about the kind of bonds which might be issued by the United States, and I think I gave them some information on that subject; exactly what it was I do not remember at this time.

Senator VEST. You say that when you left there they were in a pessimistic mood, and that you so reported to Mr. Carlisle. Now, was there any subsequent correspondence between that time and the time you went back?

Mr. CURTIS. Pardon me; that was not exactly what I said, but that Mr. Belmont had rather taken a pessimistic view of the situation on the evening when I had seen him. On the following morning, after that, I was told to see Mr. Morgan and Mr. Belmont and they were to make inquiries to see what could be done, if anything, and I came back and reported that.

Senator VEST. Was there any subsequent correspondence between the Treasury Department and these two gentlemen, or either of them, between the time you came back to Washington and the time you went back to New York—between Mr. Morgan and Mr. Belmont and the Treasury? You consulted as to those matters, and must have known.

Mr. CURTIS. There may have been telephonic communication of some kind from Mr. Morgan that afternoon, because I made an agreement to be at his house next morning.

Senator VEST. What was that communication?

Mr. CURTIS. I think he told me that he had some communications from the other side, and he thought that some business could be done.

Senator VEST. Did he suggest that you should go over?

Mr. CURTIS. I do not remember. I think I offered to go over. I think I said that I would see him at his house next day. The difficulty was about cabling, etc. They had different codes in the different places, and we found subsequently that they had to do that work in New York.

Senator VEST. You went over on Saturday to Mr. Morgan's house?

Mr. CURTIS. Yes.

Senator VEST. What did they then say to you?

Mr. CURTIS. They had received certain cables, etc., and they indicated what they thought could be done in the way of the purchase of bonds.

Senator VEST. Well, what did they say?

Mr. CURTIS. That they could sell them abroad; that they had had communications with people over there, and, as I recollect it, they required one-half to be taken in New York, and they stated that the best price they could make abroad was $3\frac{3}{4}$ per cent—that is, so that the bonds would realize $3\frac{3}{4}$ per cent.

Senator PLATT. Interest?

Mr. CURTIS. Yes, interest; and they said that they hoped they could shade that, and were expecting further advices. I listened to that conversation, and went downtown afterwards and saw Mr. Jordan, and had a conversation with him in regard to the gold reserve, etc., and came back to Washington that afternoon, having arranged with Mr. Morgan that I would communicate with him further.

Mr. CURTIS. They said they thought that they could sell \$50,000,000 bonds, with an option for the same amount, as I recollect it, and they were to be thirty-year bonds at a lower rate of interest than the fives that had been previously issued, because the foreign markets desired lower rates of interest.

Senator VEST. That they could sell them abroad?

Senator VEST. Did he send any definite proposition to the Secretary of the Treasury?

Mr. CURTIS. No; they were not prepared to make a definite proposition. They gave their opinion of what could be done at that time, and I was to call up Mr. Morgan, I think, on the telephone next afternoon at 3 o'clock to tell him whether those general lines had been approved, and also to tell him of a question, I do not remember exactly what it was, which came up in regard to the thirty-year bonds. There was a question of some kind.

Senator VEST. Well, you came back and communicated to Mr. Carlisle what was said?

Mr. CURTIS. Yes; I told him that these people said that they thought they could make an arrangement of that character, indicating it, to sell \$50,000,000 of gold bonds, with an option for \$50,000,000 more; and that they wanted one-half to be taken in New York—virtually the same that I have already stated.

Senator VEST. You were to telephone the next evening at 3.

Mr. CURTIS. Yes.

Senator VEST. Did you do so?

Mr. CURTIS. Yes.

Senator VEST. What did you telephone?

Mr. CURTIS. I told Mr. Morgan that the matter was still under consideration, and that I would send a messenger over on the night train.

Senator VEST. That night train?

Mr. CURTIS. That night train.

Senator VEST. Did you send a messenger?

Mr. CURTIS. I did. I sent my private secretary over.

Senator VEST. What instructions did you give him to take over?

Mr. CURTIS. He was simply a messenger, and carried, as I understand it, a letter received from Mr. Carlisle, a letter that Mr. Carlisle prepared.

Senator VEST. Did you know what that letter contained?

Mr. CURTIS. As I recollect the contents of that letter, it told Mr. Morgan that the Department could not do anything further on the lines that he indicated; that it considered the rate at which the bonds were offered to be taken was too high.

Senator PLATT. That the interest was too high?

Mr. CURTIS. Yes; that the price they offered for the bonds was too low—or that the price which they thought they could be sold for was too low.

Senator VEST. They were selling so much gold for so many bonds?

Mr. CURTIS. That was a subsequent matter when the contract was arranged. That was the proposition then.

Senator VEST. Mr. Carlisle was not willing to take their offer on the lines laid down?

Mr. CURTIS. That is it.

Senator VEST. What next was done?

Mr. CURTIS. Do you mean my next connection with it?

Senator VEST. Yes; I want to know now what you know was done next. That seemed to have terminated the matter. Mr. Carlisle said he would not go any further on those lines. Now, what next was taken up or what was done?

Mr. CURTIS. The next that I had personally anything to do with it—

Senator VEST [interposing]. Instead of telling us what you had personally to do with it, tell us whether you know of any transaction between the Treasury Department and these gentlemen, immediately following this letter of Mr. Carlisle's declining to go any further on those lines?

Mr. CURTIS. Next morning I received either a communication or a telephone message, I do not know which it was, from Mr. Belmont, saying that he would come over on the 10 o'clock train, and that Mr. Morgan would follow that evening with a new proposition, or words to that effect; something to give me the idea that the negotiation was not closed by the communication which had been sent over that morning. I reported that to Mr. Carlisle, and he said, "Very well; I will wait until Mr. Morgan comes over," or something to that effect.

Senator VEST. Did Mr. Belmont come next morning at 10?

Mr. CURTIS. He left next morning at 10 o'clock and arrived some time in the afternoon, and I think he saw Mr. Carlisle after he got here. I was not present. Mr. Morgan arrived that night some time, and I saw him some time late that evening, and I think he may have seen Mr. Carlisle, but I am not sure.

Senator VEST. What passed between you and Mr. Morgan—you did not see Mr. Belmont, as I understand?

Mr. CURTIS. I saw Mr. Belmont for a few minutes—long enough to tell him where the Secretary lived and how to get there. I do not think I had any farther conversation; however, I may have had.

Senator VEST. He went to Mr. Carlisle's house?

Mr. CURTIS. He went to Mr. Carlisle's house to see him. As I recollect, I was still in the office; it was about 5 o'clock in the afternoon, and he came up and spoke to me, and I think I told him where Mr. Carlisle's house was, and he went along in that direction.

Senator VEST. Did you have any conversation with him about this business?

Mr. CURTIS. I must have had, but it was not of a nature to make any particular impression on me.

Senator VEST. He did not tell you what new proposition he had to make?

Mr. CURTIS. No.

Senator VEST. Well, did you have a talk with Mr. Morgan?

Mr. CURTIS. I had a conversation with Mr. Morgan, but not a very long one. I came into the hotel as he was going out. I saw him for a few moments then, and I saw him for a few moments later than that. I did not have a very long conversation with him. The thing he was talking about particularly at that time was the necessity for immediate action; that we were so near the pinch that we could not delay.

Senator VEST. He told you that, did he?

Mr. CURTIS. Yes.

Senator VEST. What did he say would happen if you did delay?

Mr. CURTIS. Why, we would be unable to go on with our payments in New York.

Senator VEST. In other words, the Government would go to protest; is that it?

Mr. CURTIS. Yes; they could not redeem their notes in New York in gold coin. Mr. Jordan informed me of that on my arrival in New York on the Wednesday evening previous.

Senator VEST. Mr. Morgan impressed on you the importance of immediate action?

Mr. CURTIS. He said it was his opinion that the Government would have to move quickly.

Senator VEST. Did he name any time?

Mr. CURTIS. I do not know that he did, but I had already received that information from a great many other people.

Senator VEST. I am asking you what he said. Did he give you any idea of the new proposition that he was prepared to submit to the Treasury?

Mr. CURTIS. None whatever; and I do not know that he had a new proposition at that time.

Senator VEST. I understand that they telephoned that they had a new proposition?

Mr. CURTIS. Oh, no; I did not say that, but that I had arrived at

that conclusion from what Mr. Belmont told me in the morning, or whoever telephoned to me.

Senator VEST. I thought you said that they telephoned to you in the morning that Mr. Morgan would be here the next morning with a new proposition?

Mr. CURTIS. That they wanted to go on further with the negotiation. I could not say the exact language, but I gathered from what they said that they had a new proposition, or different proposition, and that the negotiations had not been finally closed by the letter which my private secretary had carried over.

Senator VEST. Did they have a new proposition? They said they thought they could float the \$50,000,000 in Europe, did they not?

Mr. CURTIS. The proposition as it appears in the contract was different from the one then under consideration.

Senator VEST. How different?

Mr. CURTIS. It was made under section 3700 of the Revised Statutes, for the purchase of gold.

Senator VEST. Was that all the difference?

Mr. CURTIS. It was \$62,500,000 instead of \$50,000,000, as I recollect it; but the contract is in evidence, is it not?

The CHAIRMAN. The third issue was \$62,500,000, I think.

Mr. CURTIS. What I was thinking of was, I think, the first suggestion of \$50,000,000, and an additional \$50,000,000.

Senator VEST. It was sixty-two and a half millions?

Mr. CURTIS. It was \$50,000,000 in the original conversation, and the contract was for \$62,315,400.

Senator VEST. Did Mr. Belmont and Mr. Morgan go back to New York then?

Mr. CURTIS. That night?

Senator VEST. Yes.

Mr. CURTIS. No; they did not go back until the next night, but I did not see them again.

Senator VEST. Were you there when the contract was closed?

Mr. CURTIS. Pardon me. When you say "the contract was closed" do you mean when it was signed, or when the final negotiation was agreed upon?

Senator VEST. When the final negotiation was agreed upon.

Mr. CURTIS. No; I was not there when the final negotiation was agreed upon.

Senator VEST. Or when the contract was signed?

Mr. CURTIS. I was there when the contract was signed.

Senator VEST. When did Mr. Stetson come?

Mr. CURTIS. He came over with Mr. Morgan on Monday and again on Thursday night.

Senator VEST. When was the contract drawn?

Mr. CURTIS. On Friday morning. Mr. Morgan went back to New York after they had substantially arranged the terms of the agreement on Tuesday night, and was, I understand, during the days of Wednesday and Thursday in New York. He returned here during the night of Thursday, and on Friday morning the contract was drawn and signed.

Senator VEST. Who drew that contract?

Mr. CURTIS. During Wednesday the Secretary, Mr. Carlisle, had the actuary make the calculations on prices of these ounces of gold, etc., and we got out the old contracts which were made in Secretary Sherman's time, and decided to follow that general form. I made some memoranda, I think, on a piece of paper, of the things to be covered

by a contract of this character; and, on Friday morning, Mr. Stetson and Mr. Morgan and myself—and I think there was a stenographer—went into Mr. Carlisle's large room and there the stenographer took down a sort of draft contract, which was made up of suggestions from these forms of which I speak. It was entirely based on that printed book of Mr. Sherman's proceedings during his negotiations for those sales.

I made some suggestions, which were taken down. Mr. Stetson occasionally made a suggestion, and Mr. Morgan made one or two.

Mr. Olney and Mr. Carlisle were in Mr. Carlisle's private room, and when we had agreed among ourselves upon the general form of the contract it was taken in there, and Mr. Carlisle made some additional memoranda. I do not know whether Mr. Olney made some memoranda or not. When everybody had agreed on the general proposition, then it was prepared for execution.

Mr. Belmont, meanwhile, had been "snowed up" between New York and Washington, and was unable to get here in time to sign the contract before 12 o'clock, the time when the President was to send a message to Congress, as I recollect it. He telegraphed to London, and they cabled authority to Mr. Morgan to sign the name of Belmont and Rothschild to a contract. But, as a matter of fact, we got a telegram from Mr. Belmont that he was close at hand, and he got here in time to sign the contract, about 2 o'clock. It took that length of time to have the contract finished in that way, and done over in typewriting, in, I think, quadruplicate.

Senator PLATT. Who is the Mr. Olney to whom you have referred?

Mr. CURTIS. He was at that time Attorney-General. He is now Secretary of State.

Senator VEST. You do not know who first made the suggestion as to the purchase by the syndicate, or as to the syndicate's taking charge of the thing?

Mr. CURTIS. Oh, I presume the Treasury did.

Senator VEST. It came from the Treasury Department?

Mr. CURTIS. Why, yes. I have presumed that, all the time.

Senator VEST. What I mean to say is this: After Mr. Morgan and Mr. Belmont came here, do you know whether this contract, as it appears now in its main features, came as a suggestion from the Treasury Department or from those gentlemen?

Mr. CURTIS. You mean the form of the contract?

Senator VEST. Yes.

Mr. CURTIS. Entirely from the Treasury Department.

Senator VEST. Entirely?

Mr. CURTIS. If you look at the book I named you will find in it almost the precise form that——

Senator VEST (interposing). Who suggested the provision in regard to these men taking care of the reserve?

Mr. CURTIS. I think Mr. Carlisle. I do not know whether it was he or Mr. Olney, but I think Mr. Carlisle wrote it in the original draft.

Senator VEST. As I understand you, Mr. Stetson came here with Mr. Morgan?

Mr. CURTIS. Yes.

Senator VEST. And went back with Mr. Morgan?

Mr. CURTIS. Yes; he was Mr. Morgan's private counsel.

Senator PLATT. Who first suggested that paragraph in the contract which provides that if any more bonds should be issued before October, 1895, they should be issued to those parties?

The CHAIRMAN. The proposition was that they should have the first option, or right.

Mr. CURTIS. It was that they should have the first option, but there was no price fixed in connection with that. That was Mr. Morgan's own suggestion, I think.

Senator PLATT. Had that suggestion ever been made before they came over here?

Mr. CURTIS. I can not really say at this time. It was explained at the time that they wished to protect themselves in their earlier purchase. If there should be a necessity for a further issue they wished to control it.

Senator WALTHALL. Was your visit to Mr. Belmont on the 30th of January, 1895, the beginning of the negotiation which resulted in the contract of February 8, 1895?

Mr. CURTIS. That is my opinion.

Senator WALTHALL. That was the first move made?

Mr. CURTIS. We had come to the conclusion—at least, I think Mr. Carlisle had come to the conclusion—before that time that it would be necessary to get gold from abroad, on account of the very large amounts which had been drawn out since the prior sale of bonds, and the fact that the prior issue of bonds had fallen materially in price after the sale—that is, the sale of November, 1894. He had come to the conclusion that to reestablish public confidence it would be necessary to get the gold from abroad.

The CHAIRMAN. If no other member of the committee wishes to interrogate Mr. Curtis further, I should like to ask Mr. Curtis whether there is any additional statement that he would like to submit.

Mr. CURTIS. I would like simply to say in connection with the second sale of bonds, that between the time of that sale and the sale to this syndicate the prices fell very materially; that a good many members of the former syndicate who took bonds at that sale were still carrying them, and the bond market was not a satisfactory one. That may, in some degree, explain why it was that negotiations were opened in that way.

The CHAIRMAN. You mean that the premium on United States securities had diminished between the second sale and the third sale?

Mr. CURTIS. I mean that the bonds which were sold in the second sale had dropped in price below what had been paid for them by the purchasing syndicate—between that time and the end of January, when the Treasury opened negotiations.

The CHAIRMAN. To what extent was the depreciation or drop in price?

Mr. CURTIS. I do not remember at this time.

Senator JONES, of Nevada. Was that between the opening of the negotiations and the termination of the negotiations?

Mr. CURTIS. That was sometime prior to the opening of the negotiations.

Senator JONES, of Nevada. That the price had gone down?

Mr. CURTIS. Yes.

The CHAIRMAN. About what was the average price at which the second sale was made?

Mr. CURTIS. They brought 117.077.

The CHAIRMAN. That was the average price at which the second sale was made?

Mr. CURTIS. Yes. Subsequent to that the bonds went to 119 and a fraction and gradually dropped to below the syndicate price, the ordinary figures as quoted being about 115; but I believe some were sold as low as 112 before the end of January; at least I was so informed.

Senator PLATT. There was no syndicate before the first sale?

Mr. CURTIS. No.

Senator JONES, of Nevada. What do you mean by the "syndicate price?" The price at which the bonds sold?

Mr. CURTIS. The price the purchasing syndicate paid the Government for the bonds at the second sale.

Senator JONES, of Nevada. What was that price?

Mr. CURTIS. 117.077. Those were 5 per cent bonds. They are fully described here in the statement of the Secretary.

Senator WALTHALL. They had received for the fours 104 and a fraction?

The CHAIRMAN. 104.49.

Mr. CURTIS. Yes; or, to be exact, 104.4946.

The CHAIRMAN. Is there any additional statement that you would like to submit, Mr. Curtis?

Mr. CURTIS. No.

Mr. Curtis withdrew.

The committee then adjourned.

HOFFMAN HOUSE, *New York, June 18, 1896.*

The committee met pursuant to adjournment. Present, Messrs. Harris (chairman), Vest, Jones of Nevada, Walthall, and Platt.

AUGUST BELMONT, SWORN AND EXAMINED.

Senator VEST. Will you be kind enough to state what was your first connection with the sale of bonds by the Treasury Department of the Government during 1894, 1895, and 1896, and with what particular bond sale you were first connected?

Mr. BELMONT. It was the bond sale of February, 1895. You ask what was my first connection with it?

Senator VEST. Yes; when did you first become connected with any bond sale during this last Administration of President Cleveland?

Mr. BELMONT. The first official beginning was, as I remember it, the night of the 29th of January, 1895.

Senator VEST. The 29th of January?

Mr. BELMONT. I think so. I shall have to refresh my memory as to the actual date. I have a memorandum of it.

Senator VEST. When you use the word "official" do you mean a direct connection with the Secretary of the Treasury, officially?

Mr. BELMONT. No; with the Assistant Secretary of the Treasury.

Senator VEST. Mr. Curtis?

Mr. BELMONT. Mr. Curtis; he came here to New York on the night of the 29th of January.

Senator VEST. Where did he visit you?

Mr. BELMONT. At my house.

Senator VEST. Had you had any previous communication——

Mr. BELMONT (interposing, after looking at a memorandum). It was on the 30th; not the 29th; it was Wednesday.

Senator VEST. Had you had any communication or correspondence with any official of the Treasury Department with regard to these bond sales prior to that time?

Mr. BELMONT. I had visited Washington some time before, but not

with regard to any negotiation at all; simply as a private citizen would, interested in the general situation at that time.

Senator VEST. How long was that before you saw Mr. Curtis at your house?

Mr. BELMONT. That was on the 25th of January, I think—it was the week before.

Senator VEST. He was at your house, then, about five days afterwards?

Mr. BELMONT. Yes, I think that was it. I went to Washington on the 25th.

Senator VEST. When you went to Washington whom did you see about this matter?

Mr. BELMONT. Not about this matter; but I saw the Secretary of the Treasury.

Senator VEST. Did you approach any other member of the Cabinet, or the President, before seeing Mr. Carlisle?

Mr. BELMONT. No; I did not see the President at all.

Senator VEST. Did you see any other member of the Cabinet in regard to bond sales before you saw Mr. Carlisle, Secretary of the Treasury?

Mr. BELMONT. No; I went to see Mr. Carlisle.

Senator VEST. Where did you go to see him?

Mr. BELMONT. At his own office in the Treasury building.

Senator VEST. You called on him at what time after you got to Washington? Did you go on the afternoon train?

Mr. BELMONT. I went over on the night train and called on him next morning.

Senator VEST. Will you state what occurred between you at that time?

Mr. BELMONT. It was a very general conversation. I desired to impress upon him the serious situation that was existing in financial circles here, and found him thoroughly alive to it. We discussed the necessity of something being done. I stated to him that I would find out for myself and would let him know if I could add to his information, what the sentiment of Europe was in regard to the purchase of United States bonds.

Senator VEST. When you called on him, did you suggest to him the propriety of selling United States bonds in order to relieve the financial situation here?

Mr. BELMONT. I made no suggestions to him at all with regard to that. I simply expressed my own views.

Senator VEST. You went there without any previous notification to him, as I understand?

Mr. BELMONT. There was none whatever.

Senator VEST. How did you open that conversation? What did you say to him?

Mr. BELMONT. I do not recall precisely how that opened. I came to inquire if there was anything that I could communicate in order to allay public feeling on the other side.

Senator VEST. How did you happen to discuss with him or tell him that you would inquire as to what could be done in Europe about the sale of United States bonds?

Mr. BELMONT. Because I expressed it as my opinion that nothing could save the situation at that time unless something were done to sell bonds abroad.

Senator VEST. Exactly what I had thought. Did you have any other business in Washington except to see him?

Mr. BELMONT. None whatever.

Senator VEST. You impressed on him as far as you were able the necessity of selling bonds to relieve the financial situation here?

Mr. BELMONT. No, that I did not; because that was accepted from one end of the country to the other. It was publicly accepted at that time that something of that kind would have to be done. That was self-evident.

Senator VEST. I am not speaking of what the public thought about it, but I understood you to say that you endeavored to impress on him the necessity of a sale of bonds?

Mr. BELMONT. No; I simply assumed that. Everybody assumed it.

Senator VEST. How did you happen to say to him that you would see what could be done about selling bonds in Europe?

Mr. BELMONT. Because that had always been a feature under discussion whenever the subject had been discussed, either among the public or in the press.

Senator VEST. That does not answer my question. Did you not go there for the purpose of impressing upon him and urging him to sell bonds in order to relieve the financial situation? Was not that your object in going to Washington?

Mr. BELMONT. No; my object was not that at all. My object was, in going there, to try and point out, if I did not find him already aware of the fact, that something would have to be done in connection with the bond sale then accepted as a necessity, and which everybody knew would have to be made. I simply endeavored to contribute my own views.

Senator VEST. Was it not your view that there would be a bond sale?

Mr. BELMONT. I expected, yes, that there would be.

Senator VEST. I am not asking you what you expected.

Mr. BELMONT. You are trying to make me say that I induced the Secretary to sell bonds. I did not.

Senator VEST. I did not use the word "induced," but I will tell you very frankly that I am trying to ascertain whether you did not go to Washington to impress upon him the necessity of selling bonds either in Europe or in this country.

Mr. BELMONT. I have said "no." I simply went there to discuss the situation and see if I could not contribute in some way——

Senator VEST (interposing). Did you not go there with the preconceived idea that in order to save the country it was necessary or would be necessary to sell bonds?

Mr. BELMONT. Yes; I knew that that would have to be done absolutely.

Senator VEST. Then, as a matter of course, you must have stated frankly and honestly to Mr. Carlisle that that was what he had to do, must you not?

Mr. BELMONT. I did not do that at all. I am trying to indicate to you that the object of my visit was to try and show him the necessity of a certain method of obtaining the gold, with regard to the exchanges.

Senator VEST. What was that method?

Mr. BELMONT. That was to sell bonds abroad.

Senator VEST. Then your idea was to go there and impress upon him the necessity of adopting this method, which you had already in your mind, to sell bonds. Did he accede to that?

Mr. BELMONT. No. He simply indicated to me that I could make any inquiries I wished and that if I had anything to communicate to him that would throw light on that subject I might do so, but he especially impressed upon me that I could not consider it anything in the way of a negotiation or anything of that kind.

Senator VEST. He told you to inquire and let him know the result as to whether the bonds could be sold in Europe?

Mr. BELMONT. Yes.

Senator VEST. Had you conferred with anybody here before you left in regard to the object of your visit to Washington?

Mr. BELMONT. No one.

Senator VEST. You had never said anything to any other capitalist or banker?

Mr. BELMONT. No. My visit was brought about in a very simple way. I saw Mr. Cannon, who was a member of the clearing-house committee, and learned from him some details which I did not know respecting the condition of the reserve and the banks and the fear that was existing here. I felt it then my duty to go to Washington and do whatever I might.

Senator VEST. Did you have any conversation with Mr. Morgan?

Mr. BELMONT. None whatever.

Senator VEST. At that time?

Mr. BELMONT. No.

Senator VEST. Or talk with him at all?

Mr. BELMONT. No.

Senator VEST. Did you talk with Mr. Stewart?

Mr. BELMONT. No.

Senator VEST. You had had no conversation with anybody?

Mr. BELMONT. No conversation with anybody; it was a visit prompted by my own sense of duty.

Senator VEST. Did you see Mr. Carlisle more than once after you got to Washington?

Mr. BELMONT. No.

Senator VEST. What time did you leave there after seeing him?

Mr. BELMONT. I left that afternoon.

Senator VEST. Did you see any other member of the Cabinet?

Mr. BELMONT. Not at that time. I do not think so. I think I saw only Mr. Carlisle.

Senator VEST. You did not see Mr. Lamont?

Mr. BELMONT. I do not think I did on that visit; no.

Senator VEST. Was there anything said in that conversation with Mr. Carlisle as to the amount that ought to be sold?

Mr. BELMONT. Not at all.

Senator VEST. There was nothing said about that?

Mr. BELMONT. Nothing said about that.

Senator VEST. I understand you to say that five days after your return to New York Mr. Curtis called on you?

Mr. BELMONT. Yes.

Senator VEST. Had anything passed between you and Mr. Carlisle after you left Washington until Mr. Curtis came? Did you receive any notification of Mr. Curtis's coming?

Mr. BELMONT. None whatever. I wrote a letter to Mr. Carlisle as the result of my inquiries from abroad, indicating what I thought the temper was there—on the other side.

Senator VEST. What did you write to him as to the "temper," as you call it, on the other side?

Mr. BELMONT. That it was very unfavorable to the purchase of any American securities at all.

Senator VEST. At what time did you write that letter?

Mr. BELMONT. I think two days afterwards; as soon as I received replies from London to my inquiries.

Senator VEST. With whom did you correspond in London on this matter?

Mr. BELMONT. With my correspondents. I have several correspondents.

Senator VEST. Have you any objections to naming them?

Mr. BELMONT. I think that is a matter of my private business.

Senator VEST. It might become a matter of some importance to us to know who your correspondents were there if we should pursue this inquiry further as to how this sale happened to be made.

Mr. BELMONT. This is a mere matter of private business, as I have stated. You will have to accept that; that it is a matter of mere private business.

Senator VEST. Then you decline to answer it?

Mr. BELMONT. I do not decline to answer it. I say it is not a matter coming within the scope of this inquiry.

Senator VEST. That is for us to determine. You have given your opinion upon it, and you can stand on any reserved right you may claim, but, for myself, as one member of the committee, I think we have a perfect right to have an answer to that question, and that you should name the persons in Europe from whom you got this information.

Mr. BELMONT. It is a matter really of very little importance. I said "my correspondents."

Senator VEST. You decline to give the names?

Mr. BELMONT. I have no objection to mentioning the names of my principal correspondents. It is a matter of common notoriety that my principal correspondents are the Messrs. Rothschild, and you will have to draw your own conclusions.

Senator VEST. I do not know of any conclusions we are to draw if they are your only correspondents.

Mr. BELMONT. I did not say they were my only correspondents.

Senator VEST. Then why name them?

Mr. BELMONT. I say it is accepted that they are my principal correspondents and you can draw your own conclusions as to the sources from which I derived my information from the other side.

Senator VEST. I will ask you this: Did you get your information on the other side from sources other than the Rothschilds?

Mr. BELMONT. Yes, I had other sources of information. I was only inquiring as to the situation. Anything with regard to the negotiation itself I am perfectly willing to describe, but I do not know that any other questions are relevant.

Senator VEST. I do not care about arguing the matter, but when you state that the Secretary of the Treasury asked you to find out what was the state of feeling in Europe, and when you state that you did report to him that it was pessimistic in regard to our securities, then I think we have a right to know the sources of that information.

Mr. BELMONT. The principal sources were the Messrs. Rothschild.

Senator VEST. And you do not care to give the other sources?

Mr. BELMONT. I do not recall them now.

Senator VEST. Well, Mr. Belmont, at what time did Mr. Curtis come to your house—day or night?

Mr. BELMONT. It was about half past 7 in the evening.

Senator VEST. You had had no previous notification of his coming?

Mr. BELMONT. Yes; I knew he was coming on. He notified me that he was coming on and wanted to see me.

Senator VEST. I thought I asked you a few minutes ago whether you had had any notice of his coming and you answered that you did not.

Mr. BELMONT. I do not recall your asking me whether I had had notice; I did have notice; he notified me that he would be in New York and asked where he could see me.

Senator VEST. Did you notify anyone else that he was coming?

Mr. BELMONT. No.

Senator VEST. And he came to your house that evening?

Mr. BELMONT. Yes.

Senator VEST. What occurred between you and him—what did he tell you he came here [to New York] for?

Mr. BELMONT. I showed him all my cables and showed him exactly what the reflection of the sentiment on the other side was, and discussed with him—gave him all the views that I could bearing on the subject of the situation here.

Senator VEST. What did Mr. Curtis say to you; what did he say was his object in coming here and his instructions from Mr. Carlisle?

Mr. BELMONT. To get information.

Senator VEST. Simply to get information?

Mr. BELMONT. Yes.

Senator VEST. Was that conversation limited to the information you received from London—from your correspondents?

Mr. BELMONT. No; I talked about the situation here and every feature of it that I could think of.

Senator VEST. Did you discuss with him or with Mr. Carlisle the question of obtaining gold in this country?

Mr. BELMONT. No.

Senator VEST. How did it happen that you made this inquiry as to getting gold in Europe alone?

Mr. BELMONT. I did not make any such inquiry as that. I simply made inquiry as to the possibility of selling any bonds abroad.

Senator VEST. Well, that was for the purpose of getting gold abroad?

Mr. BELMONT. Yes, that would have been the logical result, of course, as the bonds had to be paid in gold.

Senator VEST. Did you and Mr. Carlisle have any conversation to that effect—that this gold ought to be obtained abroad and not in the United States?

Mr. BELMONT. Yes; I expressed my views on the subject and thought the other method would not result in——

Senator VEST. Any good?

Mr. BELMONT. In bringing about the object desired.

Senator VEST. As I understand you, you expressed to Mr. Carlisle the idea that gold ought to be obtained abroad and not here.

Mr. BELMONT. No, I did not indicate that. I indicated that the transaction would result in that.

Senator VEST. Do you mean by that that you could not get the gold here?

Mr. BELMONT. Oh, no; that was only a question of the operation of the exchanges if those bonds were sold abroad. The subsequent transaction was a totally different matter altogether.

Senator VEST. As I understand you, you expressed to Mr. Carlisle your opinion that the bonds ought to be sold abroad?

Mr. BELMONT. I expressed the opinion that it would not succeed unless something of that kind should be done.

Senator PLATT. That it would not succeed in preventing the export of gold, I suppose?

Mr. BELMONT. Yes. It was principally explaining the technical nature of what a transaction of that nature would be.

Senator VEST. The result of that explanation or discussion was that you came to the conclusion that the bonds ought to be sold abroad in order to have any good effect here on the financial situation?

Mr. BELMONT. I was not talking as a bond buyer, but with reference to the feature of business.

Senator VEST. I am simply asking you what occurred. I ask you if that was not the conclusion you had come to and expressed to Mr. Carlisle, that the bonds ought to be sold abroad?

Mr. BELMONT. Yes.

Senator VEST. In order to do any good?

Mr. BELMONT. Yes.

Senator VEST. To prevent the export of gold from this country. Now, after you had this conversation with Mr. Curtis, what did you do next—what was your next connection with this bond business?

Mr. BELMONT. I met Mr. Curtis and Mr. Morgan the next morning at the subtreasury by appointment.

Senator VEST. At what time?

Mr. BELMONT. At about half past 10 o'clock, I think.

Senator VEST. Who was present at that interview?

Mr. BELMONT. Merely Mr. Curtis, Mr. Morgan, Mr. Jordan, and myself.

Senator VEST. No one else?

Mr. BELMONT. No.

Senator VEST. Had Mr. Curtis told you that he would see Mr. Morgan, and that you would all meet there at the subtreasury?

Mr. BELMONT. Yes; he said that that was his idea.

Senator VEST. He had not seen Mr. Morgan when he came to your house, had he?

Mr. BELMONT. I think not. He did not say.

Senator VEST. When you received this notification from him that Mr. Morgan would meet you there——

Mr. BELMONT (interposing). I did not do that. I made the arrangement with Mr. Morgan.

Senator VEST. When? The night you saw Mr. Curtis at your house?

Mr. BELMONT. The next morning. I found that we had to meet, and I made the arrangement and saw him. He was going over to the Treasury, and so I went over. It was rather an informal appointment.

Senator VEST. Did you tell Mr. Curtis that you would see Mr. Morgan and bring him to the subtreasury?

Mr. BELMONT. No.

Senator VEST. Did you tell Mr. Curtis that you would make any arrangement to bring Mr. Morgan there?

Mr. BELMONT. No; he was going to see Mr. Morgan himself.

Senator VEST. How did you happen to see him?

Mr. BELMONT. I went to see Mr. Morgan in order to suggest our going over there because I knew Mr. Curtis would be there the next day and we could see him together.

Senator VEST. Mr. Curtis had told you that he would see Mr. Morgan, had he not?

Mr. BELMONT. Yes, he said he would; but there was not anything definite at all.

Senator VEST. You were not satisfied with his promise to see Mr. Morgan, but in order to make assurance doubly sure you saw him yourself, is that it?

Mr. BELMONT. No; the reason I saw Mr. Morgan was because of my dispatches from the other side. I was trying to induce them to view favorably the possibility of any purchase abroad. They wanted me to see Mr. Morgan and consult with him, which I did.

Senator VEST. I did not quite hear that statement. Will you please repeat it?

Mr. BELMONT. I say that I saw Mr. Morgan because my correspondents on the other side desired me to confer with him.

Senator VEST. You had not conferred with him, then, prior to that time?

Mr. BELMONT. I had not discussed the matter at all with him.

Senator VEST. So, if I understand you, when Mr. Curtis and you separated that night, Mr. Curtis was to notify Mr. Morgan?

Mr. BELMONT. No; he was going to see Mr. Morgan. This was a visit of inquiry and not a visit of negotiation. Therefore there was not any set thing about it.

Senator VEST. I understood you to say that when Mr. Curtis and you separated at your house he was to see Mr. Morgan.

Mr. BELMONT. I said he told me that he was going to see Mr. Morgan, but he was not going to see him as matter of appointment. He was going to see Mr. Morgan as he came to see me. Up to that time Mr. Morgan and myself had had no conversation whatever on the subject.

Senator VEST. At what time in the morning was it that you saw Mr. Morgan—the morning next after Mr. Curtis was at your house?

Mr. BELMONT. I think about half past 10.

Senator VEST. Did you find him at his office, or where?

Mr. BELMONT. At his office; and he told me he was going around to the subtreasury, and I said I would go around.

Senator VEST. And you told him that Mr. Curtis would be there?

Mr. BELMONT. He knew that already.

Senator VEST. Had he already seen Mr. Curtis?

Mr. BELMONT. I do not think so. I do not know anything about that. We did not discuss matters at all. When we found we were going over we walked over together.

Senator VEST. But Mr. Morgan knew that Mr. Curtis was here in New York?

Mr. BELMONT. That I did not know, whether he did or not.

Senator VEST. Well, you went together to the subtreasury building. Now, what occurred between yourself, Mr. Curtis, Mr. Morgan, and Mr. Jordan at that interview?

Mr. BELMONT. Very much the same sort of conversation that Mr. Curtis and myself had had the night before. We stated our views of the situation, and so forth?

Senator VEST. And you say nobody else was present?

Mr. BELMONT. I do not recall anybody else being present.

Senator VEST. Do you remember seeing some gold exporters there—men engaged here in the business of exporting gold?

Mr. BELMONT. There were some people that went out as we were going in. People were coming in and out.

Senator VEST. Went out of the private room of Mr. Jordan?

Mr. BELMONT. Yes; I think they did.

Senator VEST. Who were they?

Mr. BELMONT. Mr. Speyer went out just as we went in, but I do recall the others. There were people moving about there. It did not interest me at all, more than any passer-by.

Senator VEST. Was any understanding arrived at between Mr. Curtis and yourself and Mr. Morgan?

Mr. BELMONT. Nothing. It was simply to convey our views; that is all.

Senator VEST. Now, what were those views that you understood were conveyed—what was the result of your interview then with Mr. Curtis?

Mr. BELMONT. Well, we expressed a doubt as to what we could do. We told him that we would see what could be done—if any bonds could be sold.

Senator VEST. Could be sold where?

Mr. BELMONT. Abroad.

Senator VEST. Did you and Mr. Morgan concur in the opinion you had expressed to Mr. Carlisle that bonds must be sold and it were best to sell them in Europe.

Mr. BELMONT. I told you before that I did not say that bonds must be sold.

Senator VEST. Well, that they ought to be; that, to do any good, they ought to be sold in Europe?

Mr. BELMONT. Yes.

Senator VEST. That is what I mean.

Mr. BELMONT. To that I say, yes.

Senator VEST. Yourself and Mr. Morgan concurred in that?

Mr. BELMONT. Yes, in that view of it.

Senator VEST. And so told Mr. Curtis?

Mr. BELMONT. Yes.

Senator VEST. You knew that he was Assistant Secretary of the Treasury, and you informed him of this officially?

Mr. BELMONT. That that was our view. I believe that that was what Mr. Curtis came here to find out.

Senator VEST. What did Mr. Curtis say to you in reply?

Mr. BELMONT. Nothing, except that he would communicate with Mr. Carlisle and let us know.

Senator VEST. When did you have any further connection with this matter? When did you hear from the Treasury Department again, if at all?

Mr. BELMONT. I did not see Mr. Curtis again that afternoon, but we had communications from abroad, and they finally indicated that they might purchase bonds at a certain figure.

Senator VEST. What was that figure?

Mr. BELMONT. On a three-and-three-quarter basis.

Senator VEST. How many bonds?

Mr. BELMONT. There was no amount fixed at all so far as that is concerned. My inquiries were with regard to anything from fifty to one hundred millions, my view being that one hundred millions was the minimum amount that ought to be sold.

Senator VEST. One hundred millions, you thought, was the minimum?

Mr. BELMONT. Yes.

Senator VEST. Did you tell Mr. Carlisle that or Mr. Curtis?

Mr. BELMONT. I expressed myself so from the beginning.

Senator VEST. Did that telegram to the effect that these bonds could be floated come from the Rothschilds, your correspondents?

Mr. BELMONT. It came from both Mr. Morgan's correspondents and mine.

Senator VEST. Mr. Morgan telegraphed also, did he?

Mr. BELMONT. We both made inquiries, but he will answer for himself.

Senator VEST. And the price fixed was three and three-quarters?

Mr. BELMONT. There was no fixed price. That was the minimum of what they were willing to do.

Senator VEST. Up to one hundred million?

Mr. BELMONT. Well, they did not state that.

Senator VEST. Was anything said about the time that the bonds were to run?

Mr. BELMONT. This was a tentative inquiry. I think not. That may have been covered, but I do not remember about it. I could find out by reference to my cables whether it was so or not, but whatever inquiries were made were simply inquiries of our own; they were not inquiries in direct terms from the Treasury at all.

Senator VEST. I simply asked whether, in this correspondence, three and three-quarters was mentioned as a minimum?

Mr. BELMONT. I think thirty years was mentioned.

Senator VEST. That was the time?

Mr. BELMONT. I think so.

Senator VEST. And three and three-quarters was the minimum?

Mr. BELMONT. What they would consider at all.

Senator VEST. That they would not consider anything less than that?

Mr. BELMONT. That was not even an expression that they would; it was merely what the sentiment was.

Senator WALTHALL. Was the telegram which Mr. Morgan sent across sent before the meeting that yourself and Mr. Curtis and Mr. Morgan had, or was it afterwards?

Mr. BELMONT. I do not know. I did not have any communication with Mr. Morgan. Oh, it must have been afterwards, for I had no communication of any kind with Mr. Morgan on this subject before that morning, and it was not with the object of being concerned in it at all; because I was not in the first, and had had no connection with any of the negotiations.

Senator WALTHALL. You were reporting to Mr. Curtis the result of your telegram, and I understood you to say that Mr. Morgan had also telegraphed?

Mr. BELMONT. I can not recall the exact date. Mr. Morgan will probably be able to tell you that.

Senator WALTHALL. But you were reporting to Mr. Curtis, as I understand, the result of your telegraphing and of Mr. Morgan's telegraphing?

Mr. BELMONT. Oh, no; I beg your pardon; I was not doing that. I stated that I did not. I had stated that my views and Mr. Morgan's were the same, and we then said that we would inquire further. My telegrams up to that point were absolutely unfavorable. Mr. Curtis, as you remember, remained over that day, and whatever was communicated to Mr. Curtis afterwards was communicated by Mr. Morgan, for I did not see him again.

Senator VEST. When did you communicate to Mr. Curtis that your correspondent would consider only these thirty-year 4 percents at a minimum of three and three-quarters?

Mr. BELMONT. That I did not communicate at all. Mr. Morgan must have communicated that, because that was subsequent to the telegrams that I showed him.

Senator VEST. When did you show him the telegrams?

Mr. BELMONT. The night before. When I showed him those telegrams they were very unfavorable. It was that they would not consider, really, a purchase at all of that character of bond.

Senator VEST. When did you inform Mr. Curtis or the Treasury Department that your correspondents had changed their minds and were willing to consider a three and three-quarter 4 per cent thirty-year bond?

Mr. BELMONT. I do not think that I communicated that directly, myself, at all. I think Mr. Morgan did that.

Senator VEST. Did Mr. Morgan communicate it for your correspondents and his also?

Mr. BELMONT. At that time we had informed Mr. Curtis that we would act together in the matter.

Senator VEST. And then what Mr. Morgan communicated subsequently represented your correspondents and his?

Mr. BELMONT. Well, yes.

Senator VEST. Now, when was that done?

Mr. BELMONT. I can not tell you. Mr. Morgan will have to tell you that. I think that was in the afternoon, but I am not sure.

Senator VEST. In the afternoon of that same day that you met at the subtreasury?

Mr. BELMONT. I think so.

Senator VEST. Then you must have got your telegrams after the meeting at the subtreasury?

Mr. BELMONT. The subsequent ones, yes; those that implied any willingness to buy bonds at all of that nature had not been communicated to Mr. Curtis. Those that had been communicated to Mr. Curtis were all unfavorable as to the purchase of the character of bonds then existing at all.

Senator VEST. Exactly, and you showed them to him the night before, at your house?

Mr. BELMONT. Yes.

Senator VEST. But after the conference at the subtreasury you received these more favorable telegrams, and you communicated them to him that afternoon?

Mr. BELMONT. Yes; because then they had been conferring in London and I sent some very urgent cables, and so forth.

Senator WALTHALL. Then when you and Mr. Curtis, Mr. Jordan, and Mr. Morgan were together you were not able to report that the bonds could be floated at any price?

Mr. BELMONT. No. We told Mr. Curtis that we would see what could be done. We understood Mr. Curtis's mission to be entirely one of inquiry and if we gave him an answer we would have to make the inquiry on the supposition that such a negotiation possibly might be made.

Senator VEST. What was the next step in this negotiation or proceeding between you and Mr. Morgan and the Treasury Department?

Mr. BELMONT. Mr. Curtis returned to Washington with what our general views were as to what could be done, and we allowed him to go with the idea that we would be ready on those lines.

Senator VEST. On the line of $3\frac{3}{4}$ per cent?

Mr. BELMONT. Yes; and we received a letter from the Secretary stating that the terms were not satisfactory; that the price was too high, or rather that the rate was too low.

Senator WALTHALL. That is, the $3\frac{3}{4}$ per cent proposition?

Mr. BELMONT. Yes.

Senator VEST. To whom did that communication come—to you and Mr. Morgan or to either one of you?

Mr. BELMONT. It was a letter addressed to both of us.

Senator VEST. What did you and he do then?

Mr. BELMONT. I immediately left for Washington.

Senator VEST. By yourself?

Mr. BELMONT. I went by myself.

Senator VEST. How long after you received that communication did you start for Washington?

Mr. BELMONT. Immediately.

Senator VEST. What do you mean by immediately?

Mr. BELMONT. We received the communication in the morning, deliberated over it at Mr. Morgan's house, and I took the train immediately for Washington.

Senator VEST. When you went to Washington whom did you first see there connected with the Administration?

Mr. BELMONT. I went to see Mr. Lamont to ascertain where I could find Mr. Carlisle. I believe he had left his office. Then I went to Mr. Carlisle's house and saw him.

Senator VEST. Who went with you to Mr. Carlisle's house?

Mr. BELMONT. Nobody. I went there alone.

Senator VEST. Did you tell Mr. Lamont what was the object of your visit there?

Mr. BELMONT. Yes, I told him. I told him exactly how matters were getting to be in New York; that they were on the verge of a panic.

Senator VEST. Did you find Mr. Carlisle at home?

Mr. BELMONT. Yes.

Senator VEST. At what time did you get to his house?

Mr. BELMONT. Just before his dinner hour. About half past 6, I think.

Senator VEST. What did you say to Mr. Carlisle?

Mr. BELMONT. I told him the situation.

Senator VEST. Just tell us what you said.

Mr. BELMONT. I can not tell you exactly what I said. I simply told him of the situation in general and how serious it was.

Senator VEST. Did you tell him that you were on the verge of a panic here?

Mr. BELMONT. Oh, yes.

Senator VEST. And that something must be done at once?

Mr. BELMONT. Yes, I told him that.

Senator VEST. What did you tell him would be the result if he did not sell bonds?

Mr. BELMONT. That a panic would ensue, that is all, and suspension of specie payments.

Senator VEST. What did Mr. Carlisle say?

Mr. BELMONT. He seemed to be thoroughly alive to the situation; knew more about it than I did.

Senator VEST. He was of the same opinion, was he?

Mr. BELMONT. Apparently.

Senator VEST. He did not require any information?

Mr. BELMONT. Apparently not.

Senator VEST. Was that all you said to him—all that passed between you?

Mr. BELMONT. Yes; I told him that Mr. Morgan was coming in the afternoon.

Senator JONES, of Nevada. When you told him that specie payments would be suspended, did you mean specie payments or gold payments?

Mr. BELMONT. Gold. I believe the resumption of specie payments was the resumption of gold payments.

Senator JONES, of Nevada. Silver is, of course, specie, as well as gold.

Senator VEST. I understand you to say now that Mr. Morgan was to come over that afternoon. You left immediately for Washington when you received Mr. Carlisle's dispatch that the price (three and three-quarters) was too low?

Mr. BELMONT. Yes.

Senator VEST. Did you and Mr. Morgan have an understanding that he was to come over that afternoon?

Mr. BELMONT. Oh, yes. I decided to leave immediately for Washington.

Senator VEST. Now, for what purpose were you both going to Washington?

Mr. BELMONT. In order to do what we could to bring about a solution of the situation.

Senator VEST. By "a solution" do you mean in order to bring about a sale of the bonds?

Mr. BELMONT. Well, if you put it that way, yes.

Senator VEST. That was your idea of relief?

Mr. BELMONT. Yes.

Senator VEST. At what time did Mr. Morgan get there?

Mr. BELMONT. He got there in the evening.

Senator VEST. At what time in the evening?

Mr. BELMONT. I did not see him immediately. At the time that the half past 3 train arrived. I think about 8 o'clock.

Senator VEST. Where did you see Mr. Morgan?

Mr. BELMONT. At the hotel.

Senator VEST. Did you tell him you had seen Mr. Carlisle?

Mr. BELMONT. Yes.

Senator VEST. Had you and Mr. Carlisle come to any agreement as to the modification of this offer of yours?

Mr. BELMONT. None.

Senator VEST. It was just a general conversation as to the condition in New York?

Mr. BELMONT. Yes.

Senator VEST. When you told Mr. Morgan, what then did you and he agree to do?

Mr. BELMONT. We agreed to do what we could in order to bring about whatever feature the negotiation took that should involve a European sale.

Senator VEST. In other words, to speak plainly, was it not your object and Mr. Morgan's to bring about a sale of those bonds in Europe by this Government, and to obtain gold from your correspondents over there, and Mr. Morgan's correspondents?

Mr. BELMONT. Oh, no; not that. Our own views here were totally local. Mine were, at all events.

Senator VEST. Do you mean to say that you were not acting for the Rothschilds in this matter?

Mr. BELMONT. No, sir.

Senator VEST. They were your correspondents?

Mr. BELMONT. We were trying to induce people abroad to take a different view from that which they entertained.

Senator VEST. But had not these people abroad—your correspondents, the Rothschilds, and Mr. Morgan's correspondents—already telegraphed to you a definite statement as to what they would do?

Mr. BELMONT. No, not precisely. They stated what they would be willing to do.

Senator VEST. You have already stated that; that they would be willing to consider the floating of those bonds (not specifying the amount, as you stated), namely, thirty-year 4 percents, at three and three-quarters as a minimum?

Mr. BELMONT. Yes.

Senator VEST. You communicated that to Mr. Carlisle and he sent word over here or telegraphed to you that that price did not suit him, did he not—and then you immediately went to Washington? Now, did you not go there for the purpose of convincing him that that was the best he could do in the emergency?

Mr. BELMONT. Not to convince him that that was the best he could do, but to apprise him that that was the best we could do under the circumstances.

Senator VEST. But had you not also said that he ought to do it—that you were on the verge of a panic here?

Mr. BELMONT. Everybody was urging him. I presume he was urged on by all people who understood the situation.

Senator VEST. You and Mr. Morgan concurred in that opinion?

Mr. BELMONT. Yes, very much.

Senator VEST. And did you not go there to impress that on Mr. Carlisle—that you concurred in that opinion that it was the best he could do to float those bonds in Europe?

Mr. BELMONT. I will not say that.

Senator VEST. Well, what was your object in going there?

Mr. BELMONT. To see what could be done; what course the Treasury would take; that was all. We were in a position, as anybody else would be, to offer our services.

Senator VEST. After you received the communication from Mr. Carlisle stating that the price was not satisfactory to him, did you not send some communication to the Department at Washington immediately?

Mr. BELMONT. Oh, no. I told you that whatever was conveyed was conveyed through Mr. Curtis.

Senator VEST. Did you not send through Mr. Curtis?

Mr. BELMONT. I told you that I did not send. I told you that whatever may have been done was done by Mr. Morgan.

Senator VEST. Whatever Mr. Morgan did about it he represented you and your correspondents?

Mr. BELMONT. He knew my views.

Senator VEST. Did not Mr. Morgan tell you that he had sent some communication, or did you not agree on some communication for him to send?

Mr. BELMONT. No.

Senator VEST. After you heard that the price was not satisfactory to the Washington people?

Mr. BELMONT. No. As I have stated to you, Mr. Morgan knew my views; they coincided with his; he conveyed them, whatever they were, to Mr. Curtis.

Senator VEST. You knew that he was going to convey them, did you not?

Mr. BELMONT. Oh, yes.

Senator VEST. After you met Mr. Morgan at the hotel in Washington, when did you and Mr. Morgan see Mr. Carlisle?

Mr. BELMONT. The next morning, I think it was.

Senator VEST. At his office or at his house?

Mr. BELMONT. At his office.

Senator VEST. Did you ever meet him at Mr. Lamont's house?

Mr. BELMONT. No.

Senator VEST. What was said about that offer of three and three-quarters then? Of course I presume you referred to what had passed between you as to the terms, did you not?

Mr. BELMONT. Well, I can not recall all these various things. We simply conveyed what the result was of our communications, and from then on the negotiations began.

Senator VEST. Did you agree to any modification of the three-and-three-quarters proposition?

Mr. BELMONT. We could not "agree" to anything. The negotiation finally took place step by step.

Senator VEST. Did you make any offer?

Mr. BELMONT. No, sir; we did not at all.

Senator VEST. What was the final agreement between the Treasury Department and you?

Mr. BELMONT. The final agreement was after that—on Tuesday, when the negotiation took an entirely different turn.

Senator VEST. Explain that.

Mr. BELMONT. There was no offer made at all until the offer was made under the act of 1862.

Senator VEST. Had you communicated with your correspondents abroad?

Mr. BELMONT. No. When that offer was made there had been no communication about it. That was done entirely at our own risk.

Senator VEST. You did that entirely on your own account?

Senator PLATT. What offer?

The CHAIRMAN. No offer has been referred to yet in the testimony except the $3\frac{3}{4}$ per cent offer. To what offer do you, Mr. Belmont, refer now?

Mr. BELMONT. I could not recall all the different phases of a negotiation like that, because that would be impossible for anyone. Perhaps Mr. Morgan may be able to render various points of it.

Senator WALTHALL. What was the difference between the offer accepted and the one originally rejected?

Mr. BELMONT. There was no offer made originally. I stated that. Simply a general proposition upon which a negotiation, if they chose to begin one, could be based. That was all.

Senator WALTHALL. What was the difference between the offer finally accepted and the one that he said he would not accept?

Mr. BELMONT. That idea was based simply on the purchase of bonds; the other one was based on an entirely different principle.

Senator WALTHALL. What was the difference in the rates? That is what I want to know.

Mr. BELMONT. That was a matter of common knowledge.

Senator WALTHALL. By the last offer do you not mean the purchase of 3,500,000 ounces of gold for bonds at a certain rate?

Mr. BELMONT. Yes; that was a public matter.

Senator VEST. What General Walthall wants to know is, what was the difference between the bonds at three and three-quarters and the amount closed at in the purchase of this gold.

Senator WALTHALL. That was what I asked—the difference in the rates.

Mr. BELMONT. There was very little difference.

Senator WALTHALL. How much?

Mr. BELMONT. The difference between the three and five-eighths and the three and three-quarters basis. I could not tell you exactly the difference in premium.

Senator VEST. Then I understand you that when you did close the contract, without corresponding any further with the Rothschilds or Mr. Morgan's correspondents abroad, you closed out for so many ounces of gold——

Mr. BELMONT (interposing). Well, it will not do to say that I had not any communication, but that finally was the course.

Senator VEST. But I understood you to say a moment ago that you and Mr. Morgan did that on your own responsibility.

Mr. BELMONT. Well, there were certain features of it, yes. It is rather difficult to explain. The terms, so to speak, the value, had been settled finally by communication; but the method was one that occurred simply spontaneously in the course of the negotiation. In other words, in all negotiations there is always a point of difficulty, and that was got over by Mr. Morgan making the offer to buy gold.

Senator PLATT. I think that that purchase of gold netted 3.75 to the investor, the same as the original proposition. I do not think there was any difference in the rate of interest.

Mr. BELMONT. That had nothing to do with it at all.

Senator VEST. As I understand you now, you had some correspondence with your people abroad before you finally closed the contract with the Department; is that so?

Mr. BELMONT. Oh, certainly.

Senator VEST. In regard to this changed method of transacting the business, and the rate?

Mr. BELMONT. Well, I was acting as August Belmont & Co., and I do not think that that is material—the matter of my own private communications with my clients. Of course, those matters were not mentioned at all.

Senator VEST. As matter of course, you acted for them?

Mr. BELMONT. I do not think that necessarily follows at all. I shall have to decline to answer those questions, for they are not relevant, Senator Vest, at all. Whatever I did, I did advisedly, and that you will have to take. It is not that there is anything in it, but I do not care to be questioned about my private business.

Senator VEST. But you have stated all the time that you were acting for these foreign people, the Rothschilds, who were your principal correspondents. The statement you have made as to any individual action was as to the last transaction—the contract as it was finally made. Now, after you had agreed upon the terms of the contract who suggested putting in that provision as to protecting the Treasury?

Mr. BELMONT. I was not there. I had left on the night train from New York, was snow-bound, and did not get to Washington until 2 o'clock in the afternoon of next day. Mr. Morgan had left New York in the afternoon. I had telegraphed to Mr. Morgan that I was snow-bound, and that he should do exactly as he saw fit. Therefore I was not present at the details of the drawing of the contract. When I arrived at 2 o'clock in the day I simply went and reviewed what had been done and signed the contract. I had nothing to do with it; I was not there till then.

Senator VEST. Was Mr. Lynde Stetson your attorney?

Mr. BELMONT. No.

Senator VEST. Whose attorney was he?

Mr. BELMONT. I do not know. He was there.

Senator VEST. How did he happen to go to Washington, do you know?

Mr. BELMONT. I do not know. He came with Mr. Morgan, I believe.

Senator VEST. You or your firm did not employ him?

Mr. BELMONT. Mr. Morgan can answer those questions for himself.

Senator VEST. But I only ask you as to yourself. Did your firm, August Belmont & Co., employ him?

Mr. BELMONT. No.

Senator VEST. So that you had nothing to do with his going to Washington?

Mr. BELMONT. No.

Senator VEST. Did you see him after you went to Washington?

Mr. BELMONT. Yes.

Senator VEST. Where did you see this contract?

Mr. BELMONT. In the Secretary's room, on my arrival.

Senator VEST. Did you sign it?

Mr. BELMONT. Yes.

Senator VEST. Had you authorized Mr. Morgan to act for you in the event that you did not get there in time?

Mr. BELMONT. Yes.

Senator VEST. You and he, then, had a perfect understanding as to the matter?

Mr. BELMONT. Absolutely.

Senator VEST. What proportion of those bonds did your house handle?

Mr. BELMONT. The contract shows how the bonds were bought. The bonds were bought by the Messrs. Morgan and my house for our account and for account of our correspondents; that is all.

Senator VEST. You do not propose to answer anything else?

Mr. BELMONT. That is all. When they were sold they became our private property.

Senator VEST. You decline to state how you disposed of the bonds?

Mr. BELMONT. Entirely; yes.

Senator VEST. At what price did you dispose of your part of them?

Mr. BELMONT. For that you will have to refer to the public prints and our advertisement. All that is matter of public record.

Senator VEST. It is not matter of public record as to what you got for them. We know what you paid for them, that is to say, what you took them at, but what did you get for them?

Mr. BELMONT. I decline to answer any questions with regard to our own business.

Senator VEST. What was the profit that your house made on these bonds?

Mr. BELMONT. I decline to answer.

Senator VEST. I call your attention, Mr. Belmont, to the resolution of the Senate under which we are acting—the part which you will find marked—and then I shall want to put some questions to you.

Senator WALTHALL. I will read it. The resolution directs the committee to investigate and report among other things “the profits made or to be made by such syndicate or any person or persons connected with such syndicate directly or indirectly.”

Mr. BELMONT. I am very sorry, gentlemen, but I——

Senator VEST. Now, wait a moment, Mr. Belmont, please. Will you state to this subcommittee what profits were made by the firm of August Belmont & Co. in the sale of those bonds and in handling them?

Mr. BELMONT. I will not, sir.

Senator VEST. Will you state, Mr. Belmont, what profits were made by this syndicate, or combination, to purchase them, represented by Mr. Morgan and yourself, in the sale and handling of those bonds?

Mr. BELMONT. I decline to answer that also.

Senator VEST. Will you state, Mr. Belmont, to whom you disposed of these bonds and at what profit?

Mr. BELMONT. I decline to answer.

Senator VEST. It is only fair to you to say that we will submit these questions to the full committee. We are but a subcommittee.

The CHAIRMAN. The question that was propounded to you was to whom you disposed of those bonds and at what profit. I now ask the simple question: Will you state to whom they were sold?

Mr. BELMONT. The contract shows to whom they were sold.

The CHAIRMAN. But the question is to whom you sold them.

Mr. BELMONT. I decline to state.

Senator VEST. At the suggestion of General Walthall, I will ask you this question: Were any persons interested in this contract except the persons named on the face of it?

Mr. BELMONT. I decline to state.

By direction of the committee the reporter read from his stenographic notes in the hearing of the witness the following extract from the testimony last elicited:

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Mr. BELMONT. I decline to state.

Upon the completion of the reading of the foregoing extract the witness stated that his answers as therein set down are correctly recorded.

The examination was then resumed, as follows:

Senator VEST. How long did you remain in Washington after you signed the contract?

Mr. BELMONT. I went home that night.

Senator VEST. Were you interested in the Graves bonds, as they are called—the \$4,500,000 of bonds that Mr. Graves did not pay for?

Mr. BELMONT. I had no interest in them. I had nothing to do with the second negotiation.

Senator VEST. Were you approached by anyone to go into that transaction—the sale of the one hundred millions?

Mr. BELMONT. That is my own private business. I had no negotiations with the Government, and whatever I——

Senator VEST (interposing). That is not the question.

Mr. BELMONT. That is my own private business.

Senator VEST. I ask you the question, Were you approached by anyone to go into the purchase of the last one hundred million of bonds?

Mr. BELMONT. I decline to answer that.

Senator WALTHALL. Were you interested in that purchase?

Mr. BELMONT. I decline to answer.

Senator VEST. You decline to answer both questions?

Mr. BELMONT. I decline to answer both questions.

Senator VEST. Did Mr. Morgan ever approach you on that subject?

Mr. BELMONT. I decline to answer that. I stated to you that I had nothing to do with that negotiation and I will answer no other question.

Senator WALTHALL. And you had nothing to do with the contract?

Mr. BELMONT. I had nothing to do with the contract.

Senator WALTHALL. Directly or indirectly?

Senator PLATT. You were not a bidder for those bonds?

Mr. BELMONT. I was.

Senator VEST. You say you were a bidder?

Mr. BELMONT. I was a bidder. My bid was not accepted.

Senator VEST. You decline to state whether there was any proposition made to you to go into that syndicate?

Mr. BELMONT. Yes; I decline to answer.

Senator WALTHALL. Or whether you were concerned in it?

Mr. BELMONT. I have told you that I had nothing to do with the negotiations. That I have stated to you because I consider it within the province of your authority.

Senator WALTHALL. I wish to ask a question or two which possibly you may have answered, but, if so, I do not know that I understood the matter. Did Mr. Carlisle invite you to Washington on the 25th of January, 1895?

Mr. BELMONT. No.

Senator WALTHALL. That was the time you went first?

Mr. BELMONT. I went of my own accord. He did not know I was going.

Senator WALTHALL. You did not notify him that you were going to Washington?

Mr. BELMONT. No.

Senator WALTHALL. I understood you to say that nobody suggested to you to go, and that you had no consultation with anybody on the subject of your going?

Mr. BELMONT. Nobody. I said originally that I went of my own volition entirely.

Senator WALTHALL. Now, Mr. Belmont, exactly when was it that Mr. Morgan became concerned in this negotiation?

Mr. BELMONT. The morning we were at the subtreasury. That is to say, that is the first communication I had with him on the subject. Whether he had any other communication himself I do not know.

Senator WALTHALL. So far as you know, that was the time he was brought into the matter?

Mr. BELMONT. So far as any relations went between himself and myself.

Senator WALTHALL. At whose instance was he brought in?

Mr. BELMONT. I do not know. I presume by my communication with him, so far as I was concerned. I do not know about the Treasury Department. So far as I was concerned, I went to see him, as I have stated, at his office.

Senator WALTHALL. That is the way he became interested in the negotiation, so far as you know?

Mr. BELMONT. So far as I know.

Senator WALTHALL. It was at your instance?

Mr. BELMONT. That is my inference, because, in connection with my inquiries, as I have stated, my correspondents desired me to see Mr. Morgan, and I did so.

Senator WALTHALL. When you went to Washington and Mr. Morgan followed you that afternoon—

Mr. BELMONT (interposing). That was at another time.

Senator WALTHALL. I understand that. It is that other time of which I am speaking. Was that by arrangement between you and Mr. Morgan that he was to follow you?

Mr. BELMONT. Yes; I left the house with the understanding that I was to go and he would follow.

Senator WALTHALL. And you met at the hotel that night?

Mr. BELMONT. Yes.

Senator WALTHALL. Did you and he go together to Mr. Carlisle's next morning?

Mr. BELMONT. No; we went by agreement there, but I do not think we went together.

Senator WALTHALL. You had seen Mr. Carlisle before Mr. Morgan arrived, or had you not?

Mr. BELMONT. Oh, yes; I saw him the evening before, about dinner time.

The CHAIRMAN. At his house?

Mr. BELMONT. At his house.

Senator PLATT. The second time that you went to Washington you said to Mr. Carlisle something to the effect that there would be a panic if something was not done at once. There was a panic then, was there not?

Mr. BELMONT. Well, people were panicky, but an actual panic had not occurred. If there had, there would have been a very different state of affairs.

Senator PLATT. You understood then that all the gold coin had been taken out of the Treasury, at that time, had you not?

Mr. BELMONT. Well, to within a small amount. I understood that there was not enough left to last.

Senator PLATT. And that there were demands for some millions that had not been filled?

Mr. BELMONT. Yes.

Senator JONES, of Nevada. Is it not true that it was stated that when all the gold coin was out of the Treasury there was a surplus of gold there in the shape of bars?

Mr. BELMONT. It was absolutely useless for the purpose.

Senator JONES, of Nevada. But was not that true?

Mr. BELMONT. Yes, but it would not have prevented a default if there had been five times the amount.

Senator PLATT. You said something about being actuated by a sense of duty in these negotiations. What did you mean by that, exactly?

Mr. BELMONT. Well, living here in the center of business, in the metropolis of the country, I supposed I could contribute some views.

Senator PLATT. You felt that a serious financial crisis was impending, I suppose.

Mr. BELMONT. Yes.

Senator PLATT. Which was the superior motive, a desire to relieve the situation or to get the bonds?

Mr. BELMONT. To relieve the situation. I had no idea of taking the active part which I subsequently did; none whatever. I did this once before without even taking any part.

Senator WALTHALL. How did you think the situation could be relieved except by the sale of bonds?

Mr. BELMONT. I thought the situation could be relieved by the passage in Congress of a 3 per cent bill.

Senator WALTHALL. A "gold" bond bill?

Mr. BELMONT. Even by a simple resolution making the outstanding bonds payable in gold.

Senator WALTHALL. Did you think that was possible in the then condition?

Mr. BELMONT. I saw it was not.

Senator WALTHALL. Before you left here you saw it?

Mr. BELMONT. Yes; I saw that long before.

Senator WALTHALL. Then how else did you think the situation could be relieved without the sale of bonds?

Mr. BELMONT. In no other way.

Senator PLATT. And you thought it very essential that the gold should come from Europe—or a portion of the gold?

Mr. BELMONT. No; that is not putting it quite right, Senator. I believed that it was necessary to make the sale abroad. Gold could have been bought there, but it would have been a very different thing to have sold the bonds and bought the gold. You had to sell the bonds in order to permit the condition of the exchanges to be such that the exports would bring gold. That was the whole point. It was an "A B C" matter to everybody here.

Senator PLATT. I understand that a letter was written to Mr. Carlisle by Mr. Belmont, stating his views of the situation early—that is, before negotiations were made—and giving a rather unfavorable view of the temper abroad. We have never seen that letter. Would it not be a good thing to have it produced, or a copy of it? Have you any objection, Mr. Belmont?

The CHAIRMAN. Did Mr. Belmont state that a letter had been written?

Mr. BELMONT. I was asked whether I had sent a communication, and I said I had.

The CHAIRMAN. Is there any reason why you may not put that communication in the record as part of your testimony?

Mr. BELMONT. I see none. It is a personal letter, however. It is not an official one.

The CHAIRMAN. Still, it is on this subject.

Senator WALTHALL. You say that that was not written to him officially, but was a private letter?

Mr. BELMONT. It was a private letter. That was not a part of the negotiation, because no negotiation had been begun.

The CHAIRMAN. Was it not a discussion of the subject-matter that resulted in the negotiation?

Mr. BELMONT. I presume as much as those cables that I showed Mr. Curtis here.

Senator PLATT. It was a letter between the time Mr. Curtis first came to see you and——

Mr. BELMONT (interposing). No, I beg your pardon, Senator; it was not. It was between the time that I went to Washington and the time that Mr. Curtis came to see me.

Senator WALTHALL. Do you want to be understood as saying that you had private correspondence with Secretary Carlisle, as well as official correspondence, about this matter?

Mr. BELMONT. No. I stated that I would inform him of any news I could get from abroad on the situation; that I would contribute such information as well as any information I might get from any other sources. That letter merely stated what I afterwards stated to Mr. Curtis.

The CHAIRMAN. The question now is: Are you willing to furnish a copy of that letter as part of your testimony?

Mr. BELMONT. Well, it is Mr. Carlisle's letter now. I make my statement. If Mr. Carlisle desires to give you a letter of that kind I have no objection. There is no feature in it whatever excepting just what I have stated.

Senator WALTHALL. Well, was it a private letter?

Mr. BELMONT. It was a letter resulting from my inquiries abroad—inquiries which I said when I was in Washington I would make.

Senator WALTHALL. But that was not my question. Was it a private letter?

Mr. BELMONT. I presume so. I intended it as——

Senator WALTHALL. As a private letter?

Mr. BELMONT. A private letter, such as I might write on any question to you.

Senator WALTHALL. It was a private letter, then?

Mr. BELMONT. It was a private letter, but it contained simply that general expression of views.

The CHAIRMAN (after a pause). If there be no further question to be propounded by the members of the committee, is there any further statement which you, Mr. Belmont, desire to submit?

Mr. BELMONT. None.

Mr. Belmont withdrew.

HOFFMAN HOUSE, NEW YORK, *June 18, 1896.*

FRANCIS LYNDE STETSON, SWORN AND EXAMINED.

Senator VEST. I believe you are an attorney at law?

Mr. STETSON. I am.

Senator VEST. Will you please state to the committee when, if ever, you became the counsel of Mr. J. Pierpont Morgan?

Mr. STETSON. It was during the month of February, 1887—the 1st of February, I think.

Senator VEST. Were you employed individually, or was your firm employed, in that capacity?

Mr. STETSON. Mr. Morgan's brother-in-law, Mr. Charles E. Tracey, who is recently deceased, and I became partners, and that brought the business of Mr. Morgan to us. It was in consequence of and in connection with a personal interview between Mr. Morgan and myself in which he said he wished me personally to be his counsel.

Senator VEST. Did you remain continuously his counsel?

Mr. STETSON. Yes; have so remained up to the present time; have never ceased to be his counsel.

Senator VEST. Do you remember making a visit with him in February, 1895, to Washington?

Mr. STETSON. Yes; on Monday, the 4th day of February, 1895.

Senator VEST. In what connection did you go to Washington?

Mr. STETSON. I went to Washington as his counsel for the purpose of preparing such papers as should be needed.

Senator VEST. Did he state to you specifically what papers he wanted you to prepare?

Mr. STETSON. He said he did not know what would be needed; did not know what sort of a contract; but wanted me there to prepare papers.

Senator VEST. Did you prepare the papers after you arrived there?

Mr. STETSON. I did not do it that night. I did when I went back on the succeeding Thursday and Friday.

Senator VEST. Did you go over with Mr. Morgan?

Mr. STETSON. I did, in his private car.

Senator VEST. Where did you and he go when you got to Washington?

Mr. STETSON. I went directly to the White House and he went directly to the Arlington Hotel.

Senator VEST. Did you remain at the White House?

Mr. STETSON. I did not.

Senator VEST. Where did you go from there?

Mr. STETSON. I went to the Arlington Hotel.

Senator VEST. When did you go with Mr. Morgan to the Treasury Department?

Mr. STETSON. Not until the next Thursday.

Senator VEST. Did you have any conversation with the President or any member of the Cabinet about that bond sale?

Mr. STETSON. I did not, except what was public—what was in the public room on Tuesday morning, the 5th.

Senator VEST. When did you first see what is known as the syndicate contract?

Mr. STETSON. Do you mean the contract with the Government?

Senator VEST. Yes.

Mr. STETSON. It is rather difficult for me to say that. I saw it in preparation and in the stenographer's hands on Friday morning, the 8th of February.

Senator VEST. Where did you see it?

Mr. STETSON. In the room of Mr. Carlisle, the large room of the Secretary of the Treasury, Mr. Morgan and Mr. Curtis and myself being present and Mr. Carlisle coming in and out.

The CHAIRMAN. The Secretary's office in the Treasury Department.

Mr. STETSON. Yes; the large room of the Secretary of the Treasury.

Senator VEST. Was anybody else present?

Mr. STETSON. Mr. Olney was there, in and out; Mr. Carlisle was in and out; Mr. Curtis was in and out; Mr. Morgan was in and out; Mr. Belmont came in just before the conclusion, and there were a number of other officers and clerks whom I do not know.

Senator VEST. You say you saw this contract? Was it type-written?

Mr. STETSON. I saw it growing; I helped dictate it; I dictated part of it, and Mr. Curtis dictated part. I saw it, as I say, growing. The stenographer went out of the room and wrote it out and brought it back into the room. When it was brought back all were present—the Attorney-General (Mr. Olney), the Secretary of the Treasury, and Mr. Curtis, Mr. Morgan, and myself. Mr. Belmont had not yet arrived.

Thereupon the Secretary of the Treasury (Mr. Carlisle) and Mr. Olney took the paper, went out of the room, and considered it, I should say, half an hour, and came back and made some suggestions; among others, the suggestion about protecting the Treasury, which Mr. Morgan accepted.

Senator VEST. You say you made suggestions in regard to the contract.

Mr. STETSON. I think the first part of the contract was entirely my dictation. I opened the volume containing Mr. Sherman's previous contract (that of 1878) with Mr. Belmont and Mr. Morgan. I dictated from Mr. Sherman's contract, with the necessary changes down to the point where the protecting clause comes in; that is to say, down through the formal part of the document. As the contract is here, I can identify the portion with exactness. When I got down to the protecting clause, I said to Mr. Curtis, "This is the Government's contract; what do you want to do?"

Senator WALTHALL. (handing a book to witness). Look in that book, please, and identify the contract.

Mr. STETSON (referring to page 46 of the volume of this investigation) I dictated down to and including the line "First, such purchase and sale of gold coin being made on the following conditions." Then I stopped. I said, "What are the conditions that the Government makes?" Down to that point I had been anxious to see that the legal basis for a contract was there. I had carefully considered section 3700 of the Revised Statutes. I had read the reports of the debates from the time that Secretary Chase first sent in the original draft of the law to Congress through Mr. Stevens, in the House of Representatives, in March, 1862. I followed that through all the reports of the conference committees, including the disputes that arose between Thaddeus Stevens and Senator Fessenden which finally led to Mr. Stevens going off the committee, stating that he would not act any further on the conference. As I have stated, I reached the conclusion that that formed the legal basis of the contract. When I had reached that point, I said, "My part is done. Now let the Government make its contract."

Senator WALTHALL. Did Mr. Morgan state to you at any time before you left here for Washington that he wanted you to go there and supervise the drawing of a contract between him and the Treasury Department?

Mr. STETSON. Before I answer that question, which I shall do almost immediately, I wish to say this: Of course, Senator, you are too great a lawyer to suppose I would answer that question as to what my client said to me unless I were free to do so. I have consulted Mr. Morgan, and Mr. Morgan has advised me that I may answer any question.

Senator VEST. We understand, of course, what the rule is, and that you can avail yourself of your privilege in the matter or not, as you choose.

Mr. STETSON. Not my privilege.

Senator VEST. I am speaking of your professional privilege.

Mr. STETSON. It is my client's, and he has released me. I will now answer. I will say to you, as I have said before, that Mr. Morgan, on the morning of Monday, February 4, asked me to go to Washington as his counsel, saying that the question was coming up as to an issue of bonds. I had never had a word with him before that time on the subject; indeed, I had been out of the city and had returned only Sunday night. Upon that I went with him. He said, "There may be papers to be drawn, and I want you." I asked no further questions, but went.

Senator VEST. You have heard that question as to bonds. What was his language?

Mr. STETSON. I can not tell you as to that. I did not pay particular attention.

Senator VEST. Did he state to you that there would probably be a contract to be drawn up, and that he wanted you to act as his counsel to see that it was properly drawn?

Mr. STETSON. He did speak of that matter, but he did not state it in that sequence—that a contract would probably be drawn up. He said that it might result in a contract, and, if so, he wanted me to draw it.

Senator VEST. That was on the morning of February 4?

Mr. STETSON. On the morning of February 4—Monday.

Senator VEST. Did you go over in the afternoon?

Mr. STETSON. I did.

Senator VEST. That, I believe, is all I wish to ask.

Mr. STETSON. I should like to extend one answer. You asked me where I went to on arriving in Washington, and I told you that I went to the White House. It is only proper for me to say to you that I did not see the President. I was told that the President was tired and could not see me, so that I merely stopped there to see the President on my way to the Arlington, but did not see him, and did not see him until the morning of Tuesday, February 5, in the presence of the Attorney-General and the Cabinet, in the outer room.

Senator VEST. Yourself and the President had been members of the same law firm, and you knew him very well, of course?

Mr. STETSON. I had been the law partner of the President from the 5th day of March, 1889, to February, 1893, and I knew him and esteemed him then highly, as I do now.

Senator PLATT. You supposed that there was to be an issue of bonds?

Mr. STETSON. I did.

Senator PLATT. Do you know whether it was determined before you went over there that the contract was to take the form of a purchase of gold under section 3700 of the Revised Statutes or whether it was to be an ordinary issue of bonds? Do you know when that matter was determined?

Mr. STETSON. I know exactly when it was determined, and I know it was not determined beforehand. On Tuesday morning Mr. Morgan, Mr. Robert Bacon (his partner), and myself went to the White House and were received, when there were present the President, the Secretary of the Treasury, and the Attorney-General. The discussion on this question then arose and continued for four hours, the President leaving the room in the meantime for nearly an hour, going off somewhere, I do not know where, and the discussion going on with the Secretary of the Treasury in his absence.

During that period, that section, 3700, of the Revised Statutes was brought to the attention of the Secretary of the Treasury by Mr. Morgan, and the Secretary of the Treasury said that he was fully aware of that section and of his powers under it. No determination was then made, but it was said that if the Congress should not act upon the Springer bill, which was to come to a vote on the next Thursday, Mr. Morgan might come back on Thursday or Friday after that was decided and present a proposition, if he had one. Nothing was decided before the next Thursday or Friday.

Senator PLATT. Can you state why the money was obtained in that particular form, the form of a purchase of gold with bonds rather than by the ordinary way of selling the bonds?

Mr. STETSON. Because it was the clearest method of doing it. The power, in my judgment, was clearest—clearer under that statute than under the resumption act of 1875.

Senator PLATT. That was the only reason for it?

Mr. STETSON. That was the only reason I saw. Of course, I was not the contractor, only a lawyer; but I advised that there was clearer power there.

Senator WALTHALL. You were not connected with the negotiations that led up to the contract?

Mr. STETSON. I knew nothing about them. I had been in Washington the entire preceding week endeavoring to get the Union Pacific bill passed. That came to an adverse vote on Saturday afternoon and I came back on the midnight train. I did not know anything about this transaction.

Senator VEST. I asked you a question with reference to the syndicate contract, and you used an expression which would lead to the presumption that there might have been some other contract. Was there another contract?

Mr. STETSON. I think there undoubtedly was, but I have never seen it. I think undoubtedly there was a contract between the syndicate members as to their rights, but I never saw the contract.

Senator VEST. You never drew that?

Mr. STETSON. I prepared a preliminary draft, but whether it was the one that was adopted I do not know. I had nothing to do with the execution of it.

The CHAIRMAN. That was between the members of the syndicate?

Mr. STETSON. That was between J. P. Morgan & Co., August Belmont & Co., and their associates here in New York.

Senator VEST. What time was that when that contract was prepared by you?

Mr. STETSON. I prepared a draft of it on Saturday, February 9, after returning to New York.

Senator VEST. After coming back from Washington?

Mr. STETSON. Yes; after coming back. I know that there was no contract prior to that date.

Senator VEST. You do not know whether that contract was executed or not?

Mr. STETSON. I have no doubt that it was, but as to personal knowledge I have none whatever. I do not know who the parties to the syndicate were; have no information on that point.

The CHAIRMAN. Is there any additional statement you would like to make?

Mr. STETSON. I should like to make one statement; I think it only justice to make it. I should like to say that I never received one penny of compensation or profit, directly or indirectly, in any way whatever, for these services, nor have I asked or expected it.

Senator VEST. You received no compensation at all?

Mr. STETSON. None whatever.

Senator VEST. In what capacity did you go?

Mr. STETSON. I went as counsel, but I told Mr. Morgan that I felt so much interest in this matter that I would go on foot, if necessary, to promote it. I considered it a patriotic duty.

Senator VEST. A patriotic duty to secure this issue of bonds?

Mr. STETSON. To stop the crisis, which appeared to me imminent. I would have done anything that was honorable to facilitate an escape from such a crisis. I may be entirely in error in my idea, but I shall always consider it the most useful public service I could render.

Senator VEST. You knew that the way in which it was contemplated to stop the panic, as you call it, was by the issue of bonds?

Mr. STETSON. I knew that at the time it was the only way in which the Government could get means to provide itself with gold to meet the demands made on it.

Senator VEST. And you, in a patriotic way, went over in order to facilitate that business?

Mr. STETSON. I did.

Senator VEST. The issuance of the bonds?

Mr. STETSON. I did. I may be all wrong, but we have to look at these matters from our own point of view.

Mr. Stetson withdrew.

WILLIAM GRAVES, SWORN AND EXAMINED.

The CHAIRMAN. The committee has received several letters from you, Mr. Graves, indicating a disposition to be heard. They authorized me to inform you that you could come before the committee and should be heard, if you so desired. Do you so desire?

Mr. GRAVES. Yes, sir.

The CHAIRMAN. You will proceed to make your statement in your own way.

Mr. GRAVES. In relation to the transaction of the bonds?

The CHAIRMAN. Necessarily—in relation to the questions included in the resolution of the Senate which instructs us to investigate and report.

Mr. GRAVES. My charge against the Secretary of the Treasury (Mr. Carlisle) is that he has been guilty of confiscating property of myself and transferring it to those of his choice without any compensation to me and without any notice of his intention to do so.

I base this charge upon the fact that I bought on February 4 four and a half millions of Government bonds of the recent issue, and he sold those bonds to me under a letter of February 10, received by me on February 12 at 2 o'clock.

I was at all times in position to comply with the terms of the purchase as outlined in his letter of acceptance or in my bid until 2 o'clock on Friday, February 14, at which time the bankers whom I had associated with me notified me that they were unable to comply with the terms of the purchase, as objections were interposed by the subtreasurer, Mr. Jordan, to completing the consummation of those terms.

I had formed the association of Ladenburg, Thalmann & Co., and they in turn invited Von Hoffman & Co. and a Mr. Smithers. The stipulation was that they would furnish this gold, which was already in the possession of Ladenburg, Thalmann & Co., with which to pay the first installment of my purchase.

In addition to that, I stood ready with means at hand to furnish \$500,000 in legal tenders in case Smithers and Von Hoffman were unable to furnish their quota of the gold, which they had not at that time in their possession.

At the request of Mr. Cadwallader, of Cadwallader & Strong, the attorneys for the syndicate which we had made, I visited in person Mr. Jordan, the subtreasurer, and asked him whether he would consent to a power of attorney being issued to my associates in the matter, and that they would pay the gold, or whether he would allow the transfer of my sale to the firm of Ladenburg, Thalmann & Co. This he declined to do. He also declined to accept from them any payment for the sale of these bonds.

I then asked Mr. Jordan whether he would not deposit the bonds in

the subtreasury, and that the firm of Ladenburg, Thalmann & Co. would pay for them before being delivered.

A similar request was also made to Mr. Jordan and Mr. Carlisle by letter from Ladenburg, Thalmann & Co., and I received a dispatch from Mr. Carlisle, in answer to that inquiry, dated February 14, saying: "Letter received. Bonds are issued only upon receipt at this office of the original certificate representing payment therefor."

In conversation with Mr. Jordan, I suggested that he deliver to me bonds which were already in the subtreasury, and he notified me that they were a special order. I suggested that he make mine a special order, and it was at his suggestion that I wrote to Mr. Carlisle and received the answer which I have just read.

I learned from Mr. W. R. Whipple, the bond buyer of the New York Surety and Trust Company (who also buys bonds for the New York Life Insurance Company, an offshoot of that institution), that they had succeeded in getting bonds from there in payment for gold and did not find it necessary to send over any receipt to Washington; and he notified me that those bonds were delivered on February 8. He said that the amount was to be \$200,000, and that they had the gold in hand and took that means to effect the transaction.

Mr. Abraham White, of Boston, Mass., also informed me in person that the Third National Bank deposited gold in their own name—the name of the Third National Bank—and received bonds in return for that deposit, and that a similar transaction was effected with Hardy & Harmon, they depositing gold in their own name, taking what Mr. Jordan saw fit to term a "temporary receipt," which was afterwards called in and the transaction made to appear on the books in the name of Abraham White. I suppose this was done to make it clear a little later on that they had not been guilty of delivering bonds and accepting powers of attorney and substitutions—because I had made a charge to Mr. Carlisle that he had been guilty of doing this when he has refused the same conditions to myself.

I have since that time stood ready and willing to meet these maturing payments, but have been unable to receive any reply of any nature from Mr. Carlisle or from the Treasury Department.

Mr. Jordan, of the subtreasury, notified me that he was authorized from Washington to make no statement in relation to my allotment of bonds after February 15. And as an evidence that the parties known as the syndicate were guilty of manipulating the market to depress these securities so as to interfere with my payments as they matured, I refer you to the official quotations at which these bonds sold. They sold on February 8 at 116 $\frac{5}{8}$, and after they were through gunning with me, on February 14 they were reduced to 115 $\frac{7}{8}$. They thought they had succeeded in accomplishing their object. The bonds as early as February 20 had advanced to 118, and in some cases 118 $\frac{1}{4}$, the official quotation being 118. They are to-day selling above 118 $\frac{1}{4}$.

As a further instance, I am informed that Mr. J. P. Morgan notified a certain bank, using this expression, "Keep your hands off those Graves bonds, because they belong to me." On February 15 at ten minutes before 1 I was cautioned to say nothing to anyone, to ask no questions, to leave newspaper reporters alone, and that I would be cared for. If Mr. Morgan was to care for me, I have failed as yet to receive any check as compensation.

Senator VEST. Who made these statements to you?

Mr. GRAVES. The statement was made by Mr. James Irvine.

Senator VEST. Who is Mr. James Irvine?

Mr. GRAVES. Mr. James Irvine is president of the New York Equipment Company, No. 80 Broadway.

Senator VEST. What did he say to you?

Mr. GRAVES. He said what I have just stated, namely: "Ask no questions, keep perfectly quiet, do not talk to newspaper reporters, and you will be cared for through me."

Senator VEST. Through him?

Mr. GRAVES. Through him.

Senator VEST. Did he have any connection with Mr. Morgan or Mr. Belmont?

Mr. GRAVES. I was introduced by Mr. Irvine to the firm of Kitchen & Co., and I am inclined to believe that the information came from the firm of Kitchen & Co., as I know that Mr. Kitchen visited Mr. Morgan on the morning of Saturday in the interest of my bid.

Senator VEST. What is Mr. Kitchen's first name?

Mr. GRAVES. I really do not know.

Senator WALTHALL. What is his address?

Mr. GRAVES. He is of the brokerage firm of Kitchen & Co., bankers and brokers, near the Stock Exchange; I think No. 14 or 16 Broad street.

Senator VEST. You said something about some bank being told something. What was that?

Mr. GRAVES. Mr. Irvine told me that Mr. Morgan had notified some bank to keep their hands off my transaction.

Senator VEST. What bank?

Mr. GRAVES. He said their bank; but he banks at the Hanover and Chase National.

Senator VEST. This Mr. Irvine told you that?

Mr. GRAVES. Yes. This information, I am inclined to think, came from Kitchen & Co., for the reason that after Ladenburg, Thalmann & Co. had claimed that they were unable to consummate these payments with the subtreasury they undertook to negotiate the payments for me after 2 o'clock on Friday the 14th.

Mr. Irvine further said that he believed that if the Government officials had tried half so hard to aid the consummation of my matter as they did to defeat it they would have saved about two hundred and thirty and odd thousand dollars, of which Mr. Morgan has since become the fortunate possessor.

The CHAIRMAN. What connection have Kitchen & Co. with Mr. Morgan or any member of the syndicate?

Mr. GRAVES. None at all. They were simply, as brokers, undertaking to secure the payment of this first obligation, which Ladenburg, Thalmann & Co. had seen fit to discontinue because of the action or connection of the subtreasury.

So far as concerns Mr. Carlisle's personal attack on my responsibility, he fails to mention the fact that he sent to New York to the subtreasury, and they in turn made inquiry in my presence as to my standing, and they were informed that I was responsible to carry out any transaction which I would undertake to accomplish.

Senator WALTHALL. Who was informed, Mr. Carlisle?

Mr. GRAVES. No; the representative whom Mr. Jordan sent there from the subtreasury. I saw the party in person.

The CHAIRMAN. Who was the representative?

Mr. GRAVES. I do not know his name. I should know him if I saw him. I did not speak with him. Neither did he know that I was present.

As to the further charge of Mr. Carlisle that I neglected to give my address, I filled out the blank calling for the purchase of these bonds, and in an accompanying letter my address was distinctly printed: "Mills Building, Broad and Wall streets."

Senator VEST. You say you gave that as your address?

Mr. GRAVES. Yes; not in filling out the blank, but in the letter accompanying it. It was printed in the letter head.

The CHAIRMAN. You mean that the letter head showed that fact in print?

Mr. GRAVES. Yes; it was printed as part of the letter head.

Senator WALTHALL. What was the date of that letter?

Mr. GRAVES. February 4.

Mr. Graves, in support of his position, read from an article appearing in the New York Sun February 24, 1896, over the signature of "Matthew Marshall."

Senator VEST. You commenced suit in this matter in Washington City, in the supreme court of the District of Columbia?

Mr. GRAVES. Yes.

Senator VEST. Why did you dismiss it after Mr. Carlisle's answer was filed?

Mr. GRAVES. It was dismissed by my counsel without notice or request on my part.

Senator VEST. Who was your counsel?

Mr. GRAVES. Mr. James M. Kerr, who is associated with, or associated himself with, Enoch Totten, of Washington.

Senator VEST. He brought the suit for you?

Mr. GRAVES. Yes, and he dismissed it, as he claimed since, on the ground that I must furnish affidavits to verify the statements which I had made and which had been disputed by Mr. Carlisle (many of them), and that owing to its being a suit for mandamus, of that nature, it was such that I could not subpoena anyone as a witness; and the result was that as I was unable to get the affidavits from the parties, he, for that reason, withdrew the suit. He considered it, as he said, politic. He dismissed the suit without notifying me. That was all the information I got on the matter.

Senator VEST. Have you seen him since?

Mr. GRAVES. I have.

Senator VEST. Did you go to Washington?

Mr. GRAVES. No, sir.

Senator VEST. Where did you see him?

Mr. GRAVES. I saw him in New York.

Senator VEST. I thought you said he was of Washington?

Mr. GRAVES. I say he associated himself with Enoch Totten, of Washington.

Senator VEST. Was Enoch Totten in the case also?

Mr. GRAVES. At the solicitation of Mr. Kerr, I believe, he joined him in the suit. I do not know what their understanding was.

Senator VEST. Have you made any endeavor to reinstate or reinstitute your case?

Mr. GRAVES. I was waiting for this Senate investigation.

Senator VEST. How could that help you?

Mr. GRAVES. The evidence that you can get I am unable to acquire. You are in a position to demand the witnesses and I am not—not in that court; not in a suit of that kind.

Senator VEST. You could have got those witnesses or those affidavits, could you not?

Mr. GRAVES. I wanted to get the affidavit of Mr. Whipple, but he is in the employ of the New York Surety and Trust, and he is not going to give me information detrimental to himself.

Senator VEST. What could you prove by him?

Mr. GRAVES. The statement that he made to me that the New York Life Insurance Company succeeded in getting bonds out of the Treasury in payment of gold over the counter on February 8, before the allotment notices had been issued to the different purchasers of bonds.

Senator VEST. What is Mr. Whipple's full name?

Mr. GRAVES. I think his name is W. R. Whipple.

Senator VEST. Where is he?

Mr. GRAVES. At the New York Surety and Trust Company's, 46 Wall street. Further than that, Mr. Whipple told me that a Mr. Donelson and a Mr. Crain, who bought about \$1,100,000 of these bonds jointly, were being opposed by Mr. Morgan, and, as he expressed it, he "kept the wires hot" between New York and the Treasury at Washington trying to defeat the consummation of their purchases, and that the cute politicians notified the Treasury Department that they must call Mr. Morgan off. The result was that they succeeded in paying for their securities and they have had no trouble about finding substitutes or agents to pay their moneys as they became due from time to time—which he objected permitting me to do.

Senator WALTHALL. Where do Mr. Crain and Mr. Donelson live?

Mr. GRAVES. I think in Buffalo. They appear among the accepted bidders. I think they live in Buffalo, but they appear at some hotel up here in New York.

Senator VEST. How much gold did you have at that time?

Mr. GRAVES. None at all.

Senator VEST. Where did you expect to get \$4,500,000 of gold?

Mr. GRAVES. I expected to buy it, as Mr. Morgan and others had to do. I expected to buy it, as Von Hoffman and others had to do.

Senator VEST. Did you expect to buy it with greenbacks or Treasury notes?

Mr. GRAVES. At that time I had not determined which.

Senator VEST. Did you have anything like \$4,500,000 of greenbacks or Treasury notes?

Mr. GRAVES. I had the credit.

Senator VEST. With whom?

Mr. GRAVES. I had the credit with my father-in-law, which I made, and succeeded in getting \$500,000 in legal tenders to make my payment with the syndicate composed of Von Hoffman & Co. and Ladenburg, Thalmann & Co.

Senator VEST. You got \$500,000 from your father-in-law?

Mr. GRAVES. It was not necessary at that time. They would not accept the payment.

Senator VEST. When did you get this notice that your bid was accepted?

Mr. GRAVES. I got the notice that my bid was accepted at 2.15 on the afternoon of February 12.

Senator VEST. Tenth or 12th?

Mr. GRAVES. The 12th.

Senator VEST. That was three days before the 30 per cent was to be paid, which was the first installment?

Mr. GRAVES. I call it virtually two days, because Wednesday was a legal holiday and I was unable to do anything.

Senator VEST. You had two days, then?

Mr. GRAVES. I had two days, or rather a day and a half; that is, Friday and until 1 o'clock Saturday.

Senator VEST. You say you could have arranged this \$4,500,000?

Mr. GRAVES. Yes.

Senator VEST. Why did you not then deposit it in the subtreasury or send it to Washington?

Mr. GRAVES. For the reason that they would not accept it from Ladenburg, Thalmann & Co., whom I had associated with me in the transaction.

Senator VEST. Would not accept it from them?

Mr. GRAVES. They would not accept it from them.

The CHAIRMAN. Did they tender it?

Mr. GRAVES. They went in and notified the subtreasury that they would pay the gold for me.

The CHAIRMAN. Did they tender the money?

Mr. GRAVES. I do not think they took the gold in; no, sir; but they are reputable enough for the Treasurer to know that they would keep their word.

Senator WALTHALL. What day was that?

Mr. GRAVES. It was on the 14th, and it was on the 12th.

Senator VEST. You applied to Mr. Carlisle for an extension of time. In other words, you claimed to him that you were entitled to the difference between the time at which you ought to have received this notice and the time at which you did receive it?

Mr. GRAVES. Yes.

Senator VEST. He refused that?

Mr. GRAVES. He refused that, and he ignored me entirely.

Senator VEST. Well, he sent you a telegram or something, did he not?

Mr. GRAVES. Excuse me. Let me make an explanation of that. I can not give the exact date when I sent that request—I can not tell you whether it was the 12th or 13th; and as late as Saturday morning, the 15th, he had not communicated with me. So I called him up on the long distance telephone and he very politely informed me that he did not do business over the telephone. I asked him, in answer to that, what they paid for a telephone for, and said, "You will please send me a communication by mail or telegraph." A few minutes after that I got the dispatch saying that the Department refused to give an extension of time, or something of that kind. I indicated that I did not want an extension, but simply wanted him to make good the loss which had been occasioned by his negligence.

Senator VEST. In specification 10 of your petition for a writ of mandamus, you state as follows:

X. Your petitioner further shows that immediately upon the receipt of the notice that the extension of time within which to comply with his bid and complete his purchase had been denied, to wit, on the 15th day of February, 1896, he duly notified the Treasury Department by letter that he was ready and willing to deposit the gold in the subtreasury in New York City for the full amount of his subscription, in payment for coupon bonds to the order of himself and associates, in accordance with his bid, and also in accordance with said Treasury Department circular letters or notices sent out on January 6, 9, and 15, 1896, as above referred to, upon the notice of the bonds being deposited for delivery at the subtreasury.

Now, you state in there that on the 15th of February, which was the day on which the matter was to be closed and 20 per cent paid, you were ready to pay the gold into the subtreasury?

Mr. GRAVES. Precisely.

Senator VEST. Why did you not pay it?

Mr. GRAVES. Simply because they would not accept it under the conditions of the bid—the conditions under which they agreed to sell. They agreed to deliver the bonds on the date of payment at the sub-treasury wherever a person would designate that they should be delivered.

Senator VEST. But did you, or anybody for you, go to the subtreasury and tender that gold in accordance with that notification from the Treasury Department?

Mr. GRAVES. Mr. Thalmann went there on several occasions.

Senator VEST. I am speaking about the 15th; that was the last day. You say you had then received notice that the extension would not be made. In your petition for the mandamus you say that you were ready and had the money then to deposit.

Mr. GRAVES. Yes. At that date the president of either the Hanover National Bank or the New York Life Insurance Company or the Chase National Bank (I can not tell you the person unless you get Mr. Kitchen here to inform you who it was)—one of those three, I think the Chase National Bank—went to see the subtreasurer prepared to take the thing up and pay for it, and when he came away he simply declined to do anything with it, and refused to make the explanation of what his conversation with Mr. Jordan was.

Senator VEST. Who is that man that went and tendered that gold for you to Mr. Jordan? Bring him here.

Mr. GRAVES. I do not know how I can get anyone to come here upon request.

Senator VEST. Well, give us the name and address of the man, and we will bring him here.

Mr. GRAVES. If you will bring here Mr. Kitchen, the senior member of the firm of Kitchen & Co., he can tell you whether it was the president of the Hanover Bank, the president of the Chase National Bank, or the president of the New York Life Insurance Company. Which one of the three it was, they have kept it secret from me, and I am ignorant as to which of them it was.

Senator VEST. Why did they keep it secret from you?

Mr. GRAVES. Simply because the transaction will not bear investigation. That is the reason. They are not going to tell me what Mr. Jordan told them, and why they would not consummate the deal which they had arranged to consummate, and had put up the gold in the Hanover Bank and in the Chase National for.

Senator VEST. You tell us now that a tender of that gold was made to Mr. Jordan, of the subtreasury, on the 15th?

Mr. GRAVES. I do not say that, but I say that those people stood ready to take up the transaction.

Senator VEST. But on the day when you “stood ready,” as you say in your petition, you had had notification from the Treasury Department that you were to pay 20 per cent, the amount specified, on the 15th?

Mr. GRAVES. Yes.

Senator VEST. Now, if you or anybody for you had the money then ready, why did you not tender it?

Mr. GRAVES. They went to see Mr. Jordan, and for some reason that I can not explain the transaction was dropped—at ten minutes of 1.

Senator VEST. Who was it that went to Mr. Jordan?

Mr. GRAVES. Kitchen & Co. were doing business for one of those firms.

Senator VEST. Did Mr. Kitchen tell you?

Mr. GRAVES. Yes; and Mr. Irvine told me.

Senator VEST. Who did he say went there?

Mr. GRAVES. He did not tell me who went there. He said the president of their bank; and they do business in two banks, the Hanover Bank and the Chase National Bank. Mr. Kitchen was there, and he will inform you who it was.

Senator VEST. Is Mr. Kitchen in the city?

Mr. GRAVES. Yes.

Senator VEST. Is Mr. Irvine in the city?

Mr. GRAVES. Yes; he was yesterday. It is a very easy matter for that information to come positively through that channel.

Senator VEST. Do you say that Mr. Jordan could testify that anybody made any tender to him on that day?

Mr. GRAVES. Mr. Jordan will probably tell you what his conversation was with the party.

Senator VEST. I do not want to argue the matter, but you must know that there was only one way in which to comply with the requirement of the Treasury Department; that was, to go there and make an actual tender of 20 per cent in gold on that bid, and, until that was done, as matter of course, you were not "in court."

The CHAIRMAN. What is Mr. Kitchen's Christian name?

Mr. GRAVES. I can get that for you from the directory.

The CHAIRMAN. Will you give Mr. Irvine's Christian name?

Mr. GRAVES. It is James Irvine. It would seem that a reputable firm like Ladenburg, Thalmann & Co. could go to the subtreasury and say that they would do that business for me, and deposit that gold, and that when an offer like that is made in perfect good faith, it would seem that the Treasurer or subtreasurer should use every means to facilitate the transaction.

Senator VEST. On what date was it that they made that offer?

Mr. GRAVES. They made it, positively, on the 14th, and they told me that they made it on the 12th.

The CHAIRMAN. You say "they told" you. Do you mean that Kitchen & Co. told you?

Mr. GRAVES. No; Ladenburg, Thalmann & Co.

Senator WALTHALL. Do you know on what date it was that you telegraphed Mr. Carlisle that Ladenburg, Thalmann & Co. had made that offer?

Mr. GRAVES. I have a copy of it here. [Referring.] On the 18th of February, 1896.

Senator WALTHALL. In the telegram you informed him that the offer had been made. When was it made?

Mr. GRAVES. The telegram says: "Ladenburg, Thalmann & Co. offered your subtreasury to deposit gold on Saturday."

Senator WALTHALL. What day of the month was that?

Mr. GRAVES. That was the 15th. One of the members of the firm of Ladenburg, Thalmann & Co. sent his private counsel to see me, and told me that he went around there on Saturday also, and was prepared to take that matter up.

Senator WALTHALL. Do you know whether the offer was made to Mr. Jordan in person?

Mr. GRAVES. No; I do not. He told me that he went to the subtreasury; I presume it was to Mr. Jordan. It was Mr. Ernst Thalmann that told me that. He sent for me to come around to see him, but I was engaged with Kitchen & Co. and could not leave to go there and see him.

Senator WALTHALL. Were you not in Washington when that mandamus proceeding was dismissed?

Mr. GRAVES. No, sir; neither did I know that it was to be dismissed.

The CHAIRMAN. In the circular letter of the Treasury Department bidders were required to give the address to which communications from the Treasury Department should be sent, and were also required to name the place at which the bonds should be delivered. Have you a copy of your letter showing exactly what the body of the letter states as to the place at which you should be addressed?

Mr. GRAVES. That is where he is mistaken. That [indicating a paper in his hand] is a rough copy—a duplicate of what I sent. That accompanied the letter.

Senator VEST. What is your business, Mr. Graves?

Mr. GRAVES. I am a railroad official. I am not engaged actively in anything just now.

Senator VEST. What do you mean by a railroad official—an officer of a railroad company?

Mr. GRAVES. Yes.

Senator VEST. Of what company?

Mr. GRAVES. Of the San Diego and Eastern Terminal, of California.

Senator VEST. What position do you hold with that company?

Mr. GRAVES. I am president of it.

Senator VEST. Has the company a road, and is it in operation?

Mr. GRAVES. In a modest way. We have got a few miles, and we have got land and water and dock privileges controlling the harbor at San Diego.

Senator VEST. How many miles have you in operation?

Mr. GRAVES. Between 3 and 4, that is all. I sold out my matters in San Francisco some months ago.

Senator VEST. Has that company an office?

Mr. GRAVES. Yes; in San Diego.

Senator VEST. How long is it since you were in San Diego?

Mr. GRAVES. I have not been there for two years.

Senator WALTHALL. Your office in New York is in the Mills Building, is it?

Mr. GRAVES. We have moved to 80 Broadway.

Senator WALTHALL. But at the time that this correspondence was going on it was in the Mills Building?

Mr. GRAVES. Yes.

Senator WALTHALL. After your bid was adjudged lapsed, do you know whether any responsible party offered to take the bonds at the price you bid?

Mr. GRAVES. Yes; a committee of the New York Life Insurance Company sent their buyer to me and offered me \$20,000—

Senator WALTHALL. No; I mean did anybody offer the Government to take your bid after it was adjudged lapsed by the Secretary—to take the bonds at the price you offered?

Mr. GRAVES. No, sir; I do not know. On February 17, in the office of Mr. Thalmann, and at his suggestion, he sent from his office over my signature a telegram which said: "Will you accept payment for bonds allotted to me?"

Senator WALTHALL. What day was that?

Mr. GRAVES. That was February 17. Mr. Carlisle disputes it and says it was the 18th. Mr. Thalmann sent that telegram from his private office in my presence, or ordered a clerk to send it, and paid for it on February 17 at about 12 o'clock, and as yet I have no answer.

Senator PLATT. You made this bid in the name of "William Graves and associates." Have you stated whom your associates were?

Mr. GRAVES. At the time I made the bid I said "and associates" so that I would have no difficulty in bringing in whom I thought fit to associate with me.

Senator PLATT. But you had no associates at that time?

Mr. GRAVES. I had no associates at that time. It should not be considered a question of whether I was a speculator in the transaction. Whether I was financially able to carry four and a half million bonds seems to me to be a question of whether I was able to compensate the Government in consideration for my purchase, which I was thoroughly able to do.

The CHAIRMAN. And is not the hardest test of that question the fact that on the day on which the payment was to be made it was not made?

Mr. GRAVES. Well, it seems so.

The CHAIRMAN. Well, is it not, as matter of fact, the true test of the question?

Mr. GRAVES. No; I can not say that it is, because there is no doubt at all—there is every reason to state—that the exactions which were made against me, sir, prohibited me from doing what was not prohibited to other people.

The CHAIRMAN. No one prohibited your paying the money, as I understand your statement, on the 15th day of February, the day on which it had to be done.

Mr. GRAVES. I can simply deal in suppositions, that the Chase National Bank—

The CHAIRMAN (interposing). I prefer your dealing with facts rather than with suppositions. Was the money paid on the 15th or tendered on the 15th? That is the principal and important question.

Mr. GRAVES. Well, Mr. Thalmann told me, yes, sir, that he was there prepared to pay the money on the 15th.

The CHAIRMAN. Did he tender it?

Mr. GRAVES. Not in the light of taking the gold over there; no, sir.

Senator WALTHALL. He did not carry the money, but he offered it?

Mr. GRAVES. Yes. He said he would pay that money under the terms of the contract; that he would pay the gold in there under the terms of the purchase. He so wrote Mr. Carlisle, and I have read Mr. Carlisle's answer to him, which I could not repeat now, but Mr. Thalmann has it yet, I suppose, in his possession.

Senator VEST. Who is the gentleman you speak of?

Mr. GRAVES. Mr. Thalmann, of Ladenburg, Thalmann & Co., abundantly able, financially and otherwise (having over two million gold there), to pay a million.

Senator WALTHALL. What was the answer made to him, as you understand it?

Mr. GRAVES. The answer was that they were not willing to deposit the bonds in New York and accept payment for them at the subtreasury; that they required that the certificate be sent to Washington before they would issue any bonds.

The CHAIRMAN. You say that this occurred on the 15th of February?

Mr. GRAVES. That letter was received from Mr. Carlisle as early as the 12th.

Senator JONES, of Nevada. Do I understand you to say that with regard to the bids, they allowed other bidders to do that which they refused to allow you to do?

Mr. GRAVES. Yes, sir; they allowed the New York Life Insurance Company and the Third National Bank to do it.

The CHAIRMAN. Do I understand you to state any of these facts of your own knowledge, or do you state them simply on the report of some other person to you?

Mr. GRAVES. Mr. Whipple, of the trust company, told me so.

Mr. CHAIRMAN. What I want to know is do you personally know all this?

Mr. GRAVES. I do not.

The CHAIRMAN. You were informed?

Mr. GRAVES. I was informed by the bond dealers; by the people who did the business in connection with the subtreasury.

The CHAIRMAN. Have you any further statement to make?

Mr. GRAVES. I have no further statement to make.

The committee adjourned till to-morrow, June 19, 1896, at 10 a. m.

HOFFMAN HOUSE, *New York, June 19, 1896.*

The committee met pursuant to adjournment. Present: Messrs. Harris (chairman), Vest, Jones of Nevada, Walthall, and Platt.

J. PIERPONT MORGAN, SWORN AND EXAMINED.

Senator VEST. Will you be good enough to state your business?

Mr. MORGAN. I am in the banking business.

Senator VEST. Please state what was your first connection with the sale of United States bonds at any time during 1894, 1895, and 1896 under this Administration, or when you first became connected with the sale of bonds by the Government.

Mr. MORGAN. It was in 1895. As to 1894 I have no data to go by. There were no transactions in the bonds under investigation in 1894.

Senator VEST. I will explain to you that by the terms of the resolution under which we are acting we are directed to inquire as to bond transactions occurring in the years 1894, 1895, and 1896. That is the reason for my putting the question in the form in which I have put it. I understand you to say that your first connection with such transactions was in 1895?

Mr. MORGAN. It was in 1895.

Senator VEST. At what time in 1895?

Mr. MORGAN. It was on the 30th of January, I think.

Senator VEST. State who first approached you on that subject.

Mr. MORGAN. Mr. Assistant Secretary Curtis.

Senator VEST. Was that on the 30th?

Mr. MORGAN. I think that was on the 30th of January.

Senator VEST. In this city?

Mr. MORGAN. In this city.

Senator VEST. At what place in this city?

Mr. MORGAN. At the subtreasury.

Senator VEST. Will you please state what occurred between you and Mr. Curtis?

Mr. MORGAN. I would suggest to the committee that if it be agreeable to them I should commence and tell my story of the negotiation, leaving them to make such inquiries afterwards as they please.

The CHAIRMAN. There will be no objection to that course. You may proceed, Mr. Morgan.

Mr. MORGAN. I am not quite certain as to the date, but I think I am right as to the 30th of January. I received a note from Mr. Curtis stating that he would come on and be glad to see me at the subtreasury. That morning, before receiving his note, I received a cable from my firm in London, J. S. Morgan & Co., stating that the Messrs. Rothschild, of London, had called upon them and stated that Mr. Belmont had cabled them of the necessity of the United States Government in relation to gold, and that they had suggested to them that the two firms should act together in conjunction with Messrs. Belmont and my firm in New York with a view to accomplishing something, if possible, in the matter.

Senator VEST. What was the date of that?

Mr. MORGAN. I think it was the 30th of January, but I may be mistaken. I think it is a matter of record, and if in error I will correct it. The record will show the date of Mr. Curtis's coming to New York, I think. Is that date of record?

Senator VEST. I have no record before me.

Senator PLATT (referring to the testimony of Mr. Curtis). Mr. Curtis says that he saw Mr. Belmont at his house on, he thinks, the 30th of January, and then that he saw you the next morning at the subtreasury.

Mr. MORGAN. That is the time. Then my date is correct. I am sure it is the 30th, or 31st, then, I will say.

While I was waiting to go and meet Mr. Curtis Mr. Belmont came in. He had received a corresponding cable. I then told Mr. Belmont that it would be quite agreeable to me to act as had been suggested, and he then proposed that we should go together over to see Mr. Curtis, which we did. We went to the subtreasury and had an interview of an hour with Mr. Curtis.

Mr. Curtis stated the situation, so far as the Treasury was concerned, and stated that the Government desired to make such a negotiation as would secure the necessary gold for the Treasury.

I told him that in my opinion affairs had gone so far and a crisis had arrived, and there was such a feeling of anxiety in the public mind that it would be absolutely impossible to secure the gold by public advertisement; and, further, that in my opinion, unless a negotiation could be made for gold on the other side, I thought it would be useless; that so far as my own advices were concerned, I would frankly say that it was very doubtful whether the gold could be secured in Europe, but that an attempted negotiation was essential.

Mr. Curtis asked me if we would be prepared to undertake it, provided the President and Secretary of the Treasury requested it. I told him that I felt bound to do so, and that I was prepared to proceed upon a basis which I would prepare during the day and which he could take to Washington, and that from there he could let me know whether it was agreeable to the President and Secretary of the Treasury.

That memorandum provided for a private contract as essential, and it would be understood before we began that if we were successful such a contract should be made. Mr. Curtis went to Washington.

In the meantime affairs here were culminating very rapidly. Between five and six millions of gold, if I recollect, were withdrawn from the Treasury that day and sent to the steamers for shipment to Europe. This left but between seven and eight millions of gold coin in the Treasury available.

During Friday it began to be whispered around that the Government were in negotiation with Messrs. Belmont and ourselves for gold, whereupon parties who had shipped gold withdrew it from the steamers

and a large portion of it was sent back into the Treasury. And it is fair to say that from this time forward until our entire contract had been perfected little, if any, gold was shipped abroad.

Mr. Curtis returned from Washington the following morning, and we were given to understand that the basis proposed by me had been agreeable to the Treasury and that we were to proceed with the negotiation.

Up to this time nothing whatever had been said as to price. It was not really a question of price. It was a question of success.

In the meantime the press had discussed the question, and the general opinion in this city was that the bonds would be negotiated on about a $3\frac{1}{2}$ per cent basis.

On Saturday morning, when Mr. Curtis returned, we had received authority from London to make a contract for fifty millions, but stipulating that not exceeding one-half the amount should be obtained from Europe, although they replied that with an option in hand they would do their best to obtain an additional fifty.

They then stipulated that the price should be $3\frac{3}{4}$ per cent net to the Government, stating that with the refusals which they had received from the principal houses in Europe to participate in the contract in any way they could not depend upon or undertake an issue in that market at a lower rate than $3\frac{1}{2}$ per cent to the investor. To this price they adhered to the end.

All this information was given to Mr. Curtis, and he returned to Washington on Saturday night to lay the matter before the President and Secretary of the Treasury. Neither Mr. Belmont nor myself doubted for a moment that the terms would be satisfactory and that the business was practically settled, when on Monday morning we received a letter from the Secretary stating that they had decided to abandon the private negotiation.

Knowing, as I did know, the inevitable result of a public announcement of the abandonment of the negotiation, I urged Mr. Belmont to leave at once for Washington, and stated that I would communicate with the Department by telephone or telegraph as soon as possible after reaching the office.

Upon so communicating I learned that it was proposed to issue a public advertisement that afternoon, and I urged the Secretary in the strongest terms not to do this, and at least to delay its issue until Mr. Belmont and myself should have an interview with the President and himself, stating at the same time that in view of the negotiation which we had undertaken and in view of what we had accomplished we felt entitled at least to that consideration.

The Secretary a little later replied that the delay would be granted. I therefore went to Washington that afternoon. My counsel, Mr. Stetson, accompanied me. On Tuesday morning Mr. Belmont, Mr. Stetson, and myself had an interview with the President, the Secretary of the Treasury, and the Attorney-General.

I expressed to these gentlemen my decided view that an immediate supply of coin from Europe was the only means of averting a panic and widespread disaster. I further stated that such a purchase need not interfere with a public issue of bonds later, if desired, but that immediate relief and immediate action were essential. After long discussion, during which the power to act on the part of the Secretary under the coin-purchase act was suggested, it was finally decided that the purchase of 3,500,000 ounces should be made on the terms of the contract so soon as it was evident that Congress would not grant any improved

means of securing coin than that already existing on the statute books.

I think that is all, for the moment.

Senator VEST. When did you first communicate with your house abroad in regard to this sale of bonds?

Mr. MORGAN. On that day.

Senator VEST. On which day—the 30th or the 31st?

Mr. MORGAN. The day that I saw Mr. Curtis.

Senator VEST. You had no communication with them before that?

Mr. MORGAN. On this purchase, no.

Senator VEST. In regard to any purchase or probable transaction of this sort?

Mr. MORGAN. No.

Senator VEST. And what was their reply?

Mr. MORGAN. Very unfavorable.

Senator VEST. When did you receive this communication about your house and the correspondents of Belmont & Co. acting together about it?

Mr. MORGAN. That morning, before I saw Mr. Curtis.

Senator VEST. Did that communication come first from them or in reply to one from you?

Mr. MORGAN. It came first from them.

Senator VEST. Do I understand you to state, then, that you received from them, without any communication or suggestion from you, a telegram to the effect that they and the correspondents of Belmont & Co. would act together as to a Government loan?

Mr. MORGAN. The telegram that they sent to us was to the effect that they had been approached—that it had been suggested to them by Messrs. Rothschild that we should act together in securing to the Government the gold that might be necessary.

Senator VEST. They stated that they had been approached by Rothschild—Rothschild being the correspondent of Belmont & Co., and that was your first correspondence with your house abroad in regard to this matter?

Mr. MORGAN. Yes.

Senator VEST. That was before you saw Mr. Curtis?

Mr. MORGAN. Yes.

Senator VEST. You saw him at the subtreasury?

Mr. MORGAN. On that day.

Senator VEST. You went with Mr. Belmont there. Had you had any other interview with Mr. Curtis before that?

Mr. MORGAN. None.

Senator VEST. Did you have any here in this city afterwards with him?

Mr. MORGAN. That I do not recollect. It is very possible.

Senator VEST. Do you not remember that you and Mr. Belmont and Mr. Curtis had an interview at your house?

Mr. MORGAN. Oh, that is what I said. I stated all that.

Senator VEST. I thought you stated that the interview of which you were talking now was at the subtreasury?

Mr. MORGAN. That was. That was the first one. I have already stated that Mr. Curtis came back. He went to Washington that night and came back again on Saturday.

Senator VEST. And then met you at your house?

Mr. MORGAN. Yes. I have also stated what I said to him at that time; consequently that shows at once that there must have been an interview.

Senator VEST. At that interview, and at every interview, you

impressed on him and on the Treasury Department, or on Mr. Carlisle and on the President, the necessity of immediate action?

Mr. MORGAN. Yes.

Senator VEST. And that that must be by the sale of bonds?

Mr. MORGAN. By the sale of bonds, of course.

Senator VEST. What was said in regard to the sale of bonds in this country or Europe? Did you not also impress upon him the necessity of selling bonds in Europe, as many as possible of them?

Mr. MORGAN. I did.

Senator VEST. Who were those parties of whom you spoke as having had gold on shipboard, who withdrew it after the report of the negotiation got out?

Mr. MORGAN. I have not the names before me, but the papers all stated them. It was matter of common knowledge.

Senator VEST. What was the nature of that memorandum or proposition that you made to the Treasury Department first?

Mr. MORGAN. I have stated that.

Senator VEST. I do not remember its terms; but you stated that you had made a proposition, as I understand it?

Mr. MORGAN. I did not state that I had made a proposition at that time, but that I would undertake to get the gold necessary abroad, provided it was left in my hands to undertake, and, if I succeeded, that they would make a private contract for the gold.

Senator VEST. Did you specify any terms for that private contract?

Mr. MORGAN. I did not. I have said in my statement that I made no terms whatever as to that.

Senator VEST. But you wanted to have the exclusive control of the matter?

Mr. MORGAN. Yes.

Senator VEST. That you would undertake it on that condition?

Mr. MORGAN. Yes.

Senator VEST. The reply of Mr. Curtis or Mr. Carlisle, or of the Department, after you got to Washington, was unfavorable to that?

Mr. MORGAN. No; it was favorable. He (Mr. Curtis) came back on Saturday morning, stating that if the terms could be made satisfactory, my basis was satisfactory to them.

Senator VEST. But nothing was said then about the price?

Mr. MORGAN. Nothing whatever.

Senator VEST. Upon what date was it that you ascertained that the Treasury Department wanted to stop the negotiations?

Mr. MORGAN. I have not the data for dates with me, Mr. Senator. If you will let me have any of those papers I can very soon say.

Senator VEST. On February 4, was it not—Monday morning?

Mr. MORGAN. It was on Monday morning. The date I have not in mind.

Senator VEST. It was February 4. Then you went, or rather you told Mr. Belmont to go, to Washington that evening?

Mr. MORGAN. Yes.

Senator VEST. Now, when you got to Washington did anybody go with you?

Mr. MORGAN. Yes; Mr. Stetson.

Senator VEST. At what time did Mr. Stetson become your attorney?

Mr. MORGAN. Ten years ago or more. I do not remember the date.

Senator VEST. Was he your regular attorney?

Mr. MORGAN. Yes.

Senator VEST. Your annual attorney?

Mr. MORGAN. He was our regular attorney in everything.

Senator VEST. Did you have any conversation with Mr. Curtis after you got to Washington on that trip?

Mr. MORGAN. I think I did.

Senator VEST. What did you say to Mr. Curtis about the condition of affairs in the Treasury and the necessity for action?

Mr. MORGAN. I have not any record of that conversation to go by.

Senator VEST. Did you not state to Mr. Curtis that unless something was done immediately the Government would go to protest?

Mr. MORGAN. I did not.

Senator VEST. Did you not impress upon him and upon the Secretary of the Treasury that the emergency was such that the Government could not wait any longer?

Mr. MORGAN. I did.

Senator VEST. That there would be a panic?

Mr. MORGAN. I did, in the strongest of terms.

Senator VEST. When you received that notification from Mr. Carlisle that was unfavorable to this negotiation and that it would stop, did you send any memorandum or any telephone message or telegraph dispatch to Washington after Mr. Belmont left?

Mr. MORGAN. I did. I have so stated in my statement.

Senator VEST. And that was to the effect that you did not want anything done until you got there, or that was the substance of it?

Mr. MORGAN. What I asked was as I stated. I have already stated this in detail.

Senator VEST. I am inquiring, as I have a perfect right to do, with reference to the statement of another witness.

Mr. MORGAN. I asked that no action should be taken until I reached Washington with relation to the call for bids for bonds.

Senator VEST. Who drew this contract between you and the Government?

Mr. MORGAN. It was drawn in the Treasury Department, between Mr. Curtis, Mr. Carlisle, Mr. Olney, Mr. Stetson, and myself.

Senator VEST. Who suggested this protective provision or clause in the contract?

Mr. MORGAN. That I do not know.

Senator VEST. You do not remember?

Mr. MORGAN. I do not remember. My impression is that it was Mr. Olney, but I am not certain.

Senator VEST. What profit did your house make upon this transaction?

Mr. MORGAN. That I decline to answer. I wish to state that I am perfectly ready to state to the committee every detail of the negotiation up to the time that the bonds became my property and were paid for. What I did with my own property subsequent to that purchase I decline to state, except this, that no member of the Government in any Department was interested directly or indirectly in connection therewith.

Senator VEST. You decline to answer my question as to the amount of profits made by your firm?

Mr. MORGAN. I do, sir.

Senator VEST. Upon what terms did you dispose of these bonds that you received from the Government, and to whom?

Mr. MORGAN. That was subsequent to the purchase, and I decline to answer for the reason stated.

Senator VEST. Did you receive a letter from Mr. Carlisle pending this negotiation?

Mr. MORGAN. I received a letter from Mr. Carlisle on that morning, as I have already stated.

Senator VEST. Is that the only letter you received from him?

Mr. MORGAN. The only letter.

Senator VEST. Have you that letter?

Mr. MORGAN. I have not it, but I can get it.

Senator VEST. We would like to see that letter if you can produce it. I understand you to say you had only one letter from Mr. Carlisle?

Mr. MORGAN. That is all that I recollect, and I think I am right about it.

Senator VEST. Coming now to the last transaction between you and the Government in regard to what are known as the Graves bonds, did you have any communication with the Treasury Department specifically or specially in regard to the four and a half million bonds?

Mr. MORGAN. I did not, with regard specifically to these particular bonds.

Senator VEST. When did you first learn, and from whom, that Mr. Graves had not paid for those bonds?

Mr. MORGAN. I do not know. It must have been after the 17th of February, when the time expired for the payment. I do not remember from whom I heard it.

The CHAIRMAN. Was the time extended from the 15th to the 17th?

Mr. MORGAN. It may have been the 15th, I do not remember; whatever day the first installment was payable. It may have been the 15th.

Senator VEST. Did you have any correspondence with the Treasury Department or any official with regard to those bonds?

Mr. MORGAN. That particular lot, no, I did not. My understanding with the Treasury Department was that we were entitled and would have to take any bonds under our bid that others did not take or pay for.

Senator VEST. Now, under that understanding, or under that bid, suppose these bonds had fallen in price after the 15th up to the 19th or 20th instead of rising in price, would you have considered yourself bound to take them?

Mr. MORGAN. I should.

Senator VEST. You thought, then, that you had contracted with the Government to take all bonds that were not paid for by the parties who bid?

Mr. MORGAN. I did, sir.

Senator VEST. No matter what the condition of the market?

Mr. MORGAN. I did.

Senator VEST. How long was that arrangement to stand between you and the Government?

Mr. MORGAN. Until we came to a settlement that it was off.

Senator VEST. How "off?"

Mr. MORGAN. The day that the first installment was not paid.

Senator VEST. If the first installment was not paid up to the 15th of February?

Mr. MORGAN. Up to that time.

Senator VEST. How long after that time did you consider yourself bound to take any bonds that were not paid for?

Mr. MORGAN. After that time not at all. Up to that time.

Senator VEST. Up to that time?

Mr. MORGAN. At least within a day. As soon as it could be ascertained. I would have to give them time to hear from the subtreasury and ascertain to what extent bonds were not paid for.

Senator VEST. As I understand that contract, or bid, the parties whose bids were accepted—the successful bidders—were to pay 20 per cent by 12 o'clock on the 15th of February?

Mr. MORGAN. Yes.

Senator VEST. And if a bidder did not pay by 12 o'clock on the 15th of February?

Mr. MORGAN. Then those bonds became ours.

Senator VEST. I understand you to state that after that time you did not consider yourself bound to take them?

Mr. MORGAN. After a reasonable time on the part of the Government to ascertain what bonds were not paid for.

Senator VEST. Well, that would be only a day.

Mr. MORGAN. They had all the subtreasuries throughout the United States to hear from, and the national banks besides.

Senator VEST. But with telegraph facilities they could hear in an hour or two.

Mr. MORGAN. We might, but the Treasury Department does not work so rapidly.

Senator VEST. But the Treasury Department has the telegraph at its disposal. What I want to know is whether you considered yourself bound for a week, or for four or five days even, to take bonds, without reference to the condition of the market—any bonds that had not been paid for by the bidders?

Mr. MORGAN. I should think fully that time.

Senator VEST. How much longer?

Mr. MORGAN. I do not know. I should think that that would be long enough.

Senator VEST. What was there to fix the time under which you were bound to take these bonds except your own will in the matter? Was there any contract to that effect?

Mr. MORGAN. The contract, on the face of it.

Senator VEST. I know what it is on the face of it, but I understand you to say that after the 15th, and after they had notified you that bidders did not comply with the terms of payment, you did not consider yourself bound any longer.

Mr. MORGAN. I said in effect, within a reasonable time after the 15th.

Senator VEST. But what that "reasonable time" was you do not state.

Mr. MORGAN. I should think four or five days; perhaps a week.

Senator VEST. And if the market had gone down eight or ten points in the course of a week, you would have been bound, as you considered yourself, to take these bonds?

Mr. MORGAN. I did so consider.

Senator VEST. These bonds, in fact, went up, did they not?

Mr. MORGAN. How do you mean went up—do you mean above the price at which the Government put them?

Senator VEST. Yes.

Mr. MORGAN. Oh, yes.

Senator VEST. They continued to advance in the market. What are they to-day?

Mr. MORGAN. About 117.

Senator VEST. They have been as high as 118, have they not?

Mr. MORGAN. I do not know. I have not watched them lately.

Senator VEST. I take for granted then that, as you did not keep track of them in the market, you have disposed of them?

Mr. MORGAN. Long ago.

Senator PLATT. Why did you not want to have an issue of bonds after you had commenced your negotiations? You asked the President not to issue a bond call. What was your reason for doing that?

Mr. MORGAN. Because I knew that if that call was made the public would understand that the foreign negotiation had been abandoned.

Senator PLATT. It was a well-known fact that you had commenced a negotiation.

Mr. MORGAN. I did not care about anything except to get the gold for the Government. I had but one aim in the whole matter—to secure the gold that the Government needed and to save the panic and widespread disaster that was sure to follow if the gold was not got.

Senator PLATT. Then it was understood that when you were negotiating shipments ceased?

Mr. MORGAN. Absolutely; and they did not commence again until a month afterwards.

Senator PLATT. And so your real purpose, as I understand you, in this transaction was not the idea that you could take this bond issue and make money out of it, but that you could prevent a panic and distress in the country?

Mr. MORGAN. I will answer the question, though I do not think it is necessary in view of all that I have done. I will say that I had no object except, as I have stated, to save the disaster that would result in case that foreign gold had not been obtained.

Senator VEST. If that was your sole object, why did you specify in your telegraphic communication to Mr. Carlisle that your house, or you and Mr. Belmont, were to have the exclusive control of the matter?

Mr. MORGAN. Because it was absolutely impossible for more than one party to negotiate—to make the same negotiation for the same lot of gold. It would only have made competition.

Senator VEST. If the gold was abroad, I take for granted that anybody could get hold of it who had the means to do so. If you were actuated by the desire to prevent a panic, why were you not willing that other people should do it, if they wanted to?

Mr. MORGAN. They could not do it.

Senator VEST. How did you know?

Mr. MORGAN. That was my opinion.

Senator VEST. And therefore you specified that nobody should have anything to do with it but you and Mr. Belmont?

Mr. MORGAN. Yes.

Senator VEST. Who made the suggestion first that the form of raising the gold should be changed from selling bonds to exchanging bonds for ounces of gold?

Mr. MORGAN. I did.

Senator VEST. You yourself made that suggestion?

Mr. MORGAN. Yes.

Senator PLATT. Do you believe that the Government could have made any better terms with anybody else than it made with yourself and Mr. Belmont at that juncture?

Mr. MORGAN. I do not, sir.

Senator PLATT. Do you believe that gold could have been obtained from abroad on any better terms?

Mr. MORGAN. I do not. It was difficult enough to obtain it, as it was.

Senator PLATT. Was your house engaged in shipping gold abroad up to this time, or at about this time?

Mr. MORGAN. We never have shipped one dollar of gold abroad for the last three years.

The CHAIRMAN. Is there any additional statement that you wish to put on record?

Mr. MORGAN. I would suggest to the committee that no questions have been asked with relation to the last negotiation. A good many accusations, and so forth, have been made, and I should be very glad to answer any questions relating to that.

Senator PLATT. The hundred million dollar loan?

Mr. MORGAN. The last hundred million dollar loan. I have been attacked on the floor of Congress and elsewhere, in relation to it, and I would like to answer any questions that may be asked in connection with it.

Senator VEST. You may make any statement you wish about it.

The CHAIRMAN. We will put on record any statement you desire to make.

Mr. MORGAN. I have not prepared any data at all, but I supposed when I came here that the committee would desire a statement with regard to it.

Senator VEST. As one member of the committee, I will state to you, Mr. Morgan, that I want all the facts to come out that are pertinent to this inquiry. I understand you to say with regard to that bond transaction that you made a bid which covered all the bonds not taken by other parties. That relates to your right under the bids as made, but the matters to which I refer here are what are claimed to have been negotiations between you and the Secretary of the Treasury for bonds prior to the issue of the public advertisement for bids.

Senator PLATT. Were there any negotiations between you and the President or Secretary of the Treasury for that loan?

Mr. MORGAN. Absolutely none. I never saw the President and never had any negotiation whatever about it.

Senator PLATT. Just before the call was issued for one hundred million bonds there was published in the New York papers some sort of contract, or form of contract—I do not remember just what it was—either that you had made with somebody connected with the Government, or had proposed to make, or that you had made with some people who were to join you in taking that hundred-million loan. If you have any statement to make on this subject we shall be glad if you will make it. I suppose that you will remember the form of the alleged contract, or proposed contract, that was published in the papers.

Mr. MORGAN. In that connection I will state that the paper to which Senator Platt alludes was a paper which was signed by those parties who desired to unite with me in a bid for the purchase of bonds in case any such negotiations were made by the Treasury Department.

Senator PLATT. But you had no arrangement with the Department, or had made no proposition?

Mr. MORGAN. I had made none whatever to the Department, and did not know whether it would accept, or what turn affairs would take. I had made up my own mind as to what it would be necessary to do for the best interests of the Government, and I wished to be ready, in case I should be sent for to make a contract, to be able to do so without delay.

The CHAIRMAN. Prior to the issuance of that hundred-million loan, if I understand you, you had no conference with any officer of the Treasury Department?

Mr. MORGAN. I had no conference in relation to the loan. I had a conference with Secretary Carlisle as to the general situation, on my visit to Washington, to which allusions were made at that time.

The CHAIRMAN. How long before the issue of the proposal to sell the hundred million?

Mr. MORGAN. It must have been a week or ten days.

The CHAIRMAN. What was the character of that conference between you and Mr. Carlisle in respect to that bond issue?

Mr. MORGAN. Nothing whatever except my statement to him as to the general situation at the time—what I thought would be for the interest of the Government in connection with that, and what I thought the Government ought to do.

The CHAIRMAN. Did you express to him the opinion that the Government ought to issue the hundred million dollars of bonds?

Mr. MORGAN. I told him that I thought the Government ought to secure \$200,000,000 of gold.

The CHAIRMAN. Then your conference was as to the general financial condition, and your opinion as to what the Government ought to do in respect to that condition?

Mr. MORGAN. Exclusively.

The CHAIRMAN. And your recommendation was that the Government should issue and sell \$200,000,000 of bonds?

Mr. MORGAN. Yes.

The CHAIRMAN. What opinion did you give him as to the probable price at which those bonds could be sold—thirty-year 4 percents?

Mr. MORGAN. I gave him no opinion as to the price.

The CHAIRMAN. And when the proposition was made to sell the hundred million you became a bidder, as all other persons who might choose to bid?

Mr. MORGAN. Yes.

The CHAIRMAN. It was open to all persons who chose to bid?

Mr. MORGAN. Yes.

Senator VEST. You did undertake to prepare for a private or a syndicate bid for the whole hundred million?

Mr. MORGAN. I did—two hundred million.

Senator VEST. Did you approach Mr. Belmont on that question?

Mr. MORGAN. I did not. He was not here at the time.

Senator VEST. I wish to ask you a question in regard to what Mr. Curtis told you. You referred in your first statement to what Mr. Curtis told you at your house about the condition of the Treasury and as to the amount of gold that was on hand. You remember that you made a statement that Mr. Curtis told you the condition of the Treasury when he came over here and you and Mr. Belmont met him?

Mr. MORGAN. Yes.

Senator VEST. He stated to you the amount of coin that was on hand, did he—gold coin?

Mr. MORGAN. I think so; he must have done so.

Senator VEST. Did he say anything about gold bullion that was in the Treasury?

Mr. MORGAN. He did. I knew it.

Senator VEST. That was available to protect the Treasury gold reserve, was it not?

Mr. MORGAN. I do not think so.

Senator VEST. Could they not have disposed of it and raised so much money on it?

Mr. MORGAN. No, sir.

Senator VEST. Could they not have shipped it and sold it?

Mr. MORGAN. They might have shipped it, but that would not give them gold coin.

Senator VEST. Why not?

Mr. MORGAN. Because they could not have sold it.

Senator VEST. Could they not have sold it for gold coin?

Mr. MORGAN. No.

Senator VEST. Do you mean to say that gold bullion could not be sold for gold coin in Europe or this country?

Mr. MORGAN. Bullion taken out of the Treasury and offered for sale in the United States could not be sold except for a very heavy discount.

Senator VEST. Could it not be sold abroad?

Mr. MORGAN. But that would give no more gold.

Senator VEST. Could not gold coin be raised upon it, on deposit?

Mr. MORGAN. Not to any extent. There were but \$7,000,000 of gold coin in the Treasury. If I had gone to the Treasury Department with \$10,000,000 of United States gold certificates, payable in gold, I could not have collected them in gold.

Senator VEST. But that is not my point. Do you mean to tell me that the gold bullion—the bars of gold that were deposited in the Treasury were unavailable to raise gold coin on them, either in this country or abroad?

Mr. MORGAN. No, sir; I do not mean to say that.

Senator VEST. That is what I asked you. Were they not available for that purpose?

Mr. MORGAN. They were not available to replenish the gold coin in the Treasury at the moment, in the emergency, when there were only \$7,000,000 of gold left to meet eighty millions, I think, of gold certificates outstanding.

Senator VEST. Could not the Secretary of Treasury have sent gold bullion here and got gold coin upon it from the banks in the city of New York?

Mr. MORGAN. He might to some extent, but he could not have done it to any great extent.

Senator JONES, of Nevada. Let me ask where that gold coin could be got for any purpose whatever?

Mr. MORGAN. It had to be coined.

Senator JONES, of Nevada. Then the syndicate could not do any better than the Treasury could with the bullion?

Mr. MORGAN. Certainly, for on the Continent of Europe there is on hand a large store of American gold which can be got and brought here at once.

The CHAIRMAN. You mean gold coin?

Mr. MORGAN. Gold coin. I think the Bank of England at that time held a great deal more gold coin than the United States Treasury.

Senator JONES, of Nevada. Is not bullion more advantageous to ship abroad than coin—do not people prefer it?

Mr. MORGAN. Certainly.

Senator JONES, of Nevada. Would it not be singular that they could not, by cable, exchange bullion for coin?

Mr. MORGAN. Certainly not by cable.

Senator JONES, of Nevada. Would not the statement you make almost make it appear that there was an attempt made to “corner” the coin, as against the Government?

Mr. MORGAN. Not at all; not in any way, shape, or manner. That was the last thing that was being done.

Senator WALTHALL. Do you remember when you were notified that the Graves bonds would go to you under your general bid?

Mr. MORGAN. That particular lot of bonds we were never notified of

until the list of bonds was sent to us. We were supplied with a list of all those bonds that had not been paid for on the 15th. I forget the date on which we got it. It was clearly understood between the Department and ourselves that we were liable for and would get the bonds that were not paid for.

Senator WALTHALL. And you got the notice of all at one time, did you, including the Graves bonds?

Mr. MORGAN. Yes.

Senator VEST. Do you recall the amount of the bids that were forfeited?

Mr. MORGAN. Very nearly five million; I forget the amount now; it is on record.

The CHAIRMAN. I believe it is four million seven hundred and odd thousand dollars.

Mr. MORGAN. Whatever the amount was, is on record.

Senator VEST. The Graves bid was \$4,500,000?

Mr. MORGAN. \$4,500,000.

The CHAIRMAN. If I understand your statement, you were formally notified first of the acceptance of your bid, and subsequent to the 15th you were notified of the \$4,700,000 of forfeited or rejected bids?

Mr. MORGAN. That is so.

The CHAIRMAN. Is there any other statement that you desire to make?

Mr. MORGAN. No.

Mr. Morgan withdrew.

CONCERNING GOLD DELIVERIES.

NEW YORK, *May 14, 1895.*

DEAR SIR: Having now obtained and deposited to the credit of the Government, with the First National Bank, gold in payment for \$10,000,000 4 per cent bonds of 1895 under our syndicate contract of February last, which gold has been obtained from sources naturally outside the Treasury, largely from Canada and elsewhere, to pay for which we have drawn on Messrs. N. W. Rothschild & Son and Messrs. J. S. Morgan & Co., and have thus supplied the exchange necessary to prevent shipments of gold, withdrawn from the Treasury. And, as it now becomes necessary to decide whether, with a view to the literal performance of the syndicate contract we shall be obliged to ship this gold to Southampton and back, we venture to ask whether you are willing to accept this gold without said double shipment in final payment for the \$10,000,000 bonds under the contract?

We would add that in our opinion the shipment of this gold to Europe would tend to check the confidence which is happily being so rapidly restored throughout the country; hence we do not hesitate to make the above request.

Very respectfully, yours,

J. P. MORGAN & Co.
AUGUST BELMONT & Co.

HON. JOHN G. CARLISLE,
Secretary of the Treasury, Washington, D. C.

JOHN A. STEWART, SWORN AND EXAMINED.

Senator VEST. State whether you have had any connection with the sales of bonds by the Government during the years 1894, 1895, 1896.

Mr. STEWART. Yes; I took a pretty active part in the first two sales.

Senator VEST. State what that part was. Did you have any negotiations with the Treasury Department?

Mr. STEWART. In regard to the first sales, no; that is to say, I had no negotiations with the Treasury Department until the award was made.

Senator VEST. You mean on the first sale?

Mr. STEWART. The first sale.

Senator VEST. Will you please state your connection with the transaction?

Mr. STEWART. In regard to the first sale, I was invited to meet the Secretary of the Treasury and the bankers of New York at the Treasury.

The CHAIRMAN. You mean the subtreasury here in New York?

Mr. STEWART. The subtreasury here in New York; and the question was discussed as to whether the loan for which the Secretary had advertised would be taken or not. There seemed to be a feeling on the part of many of the bankers that it was not to their interest to take the loan—that the rate at which it was offered was not satisfactory to them. I had taken no special interest until that announcement was made. I felt that it was a mistake—that the Government should be sustained; that the loan ought to be taken. I so expressed myself, rather warmly, and the next morning two or three of the bank presidents came to me and said: “Mr. Stewart, we feel that you are right in regard to this matter, and that we have been wrong. If you will take a leading part in it, we will cooperate with you and sustain you.” I requested a number of gentlemen to cooperate with me, and the result was that the entire loan was taken, and upon the terms which the Government offered, without any change or modification whatever.

That is the history of the first loan.

The CHAIRMAN. Now, will you state as to the second?

Mr. STEWART. In regard to the second loan, I was consulted prior to the issue of the advertisement. I was consulted by the President and the Secretary—consulted to this extent, not as to the advisability of issuing the loan, but how I thought it would best be marketed and whether I was disposed to take an interest in marketing the loan.

I expressed a willingness to do all in my power; was consulted by the Secretary as to the terms of the advertisement. I had no personal interest, and never have had, in any of these loans; I was simply acting as a citizen, doing what I thought was for the best interests of the country and for the banking interests, too.

I returned to New York after that consultation and saw Mr. King, of the Union Trust Company, and I conferred with Mr. Morgan. They expressed an entire willingness to do all they could to make the loan a success. The loan was taken—taken upon the terms the Government offered. Unfortunately there was no profit resulting from it. It resulted in a loss.

The CHAIRMAN. In a loss to the investors?

Mr. STEWART. A loss to the investors.

Shortly after that loan was taken the Secretary made his annual report and recommended a modification in the banking laws. One of the suggestions was that the national banks should withdraw, within six months, their Government bonds as a basis of banking, which at once affected the market and resulted in a loss to those who took the loan.

Senator VEST. Who sent for you to come to Washington?

Mr. STEWART. The President.

Senator VEST. At what time was that?

Mr. STEWART. That was in November, 1894.

Senator VEST. When you went to Washington you saw him and the Secretary of the Treasury?

Mr. STEWART. I did. Both.

Senator VEST. You advised them that in your opinion it was necessary to make a loan?

Mr. STEWART. No, sir; that was not the question at all. They did not

ask my opinion as to the necessity of making the loan. They asked me whether I thought the loan would be taken, and whether I was disposed to take hold of it and endeavor to make it a success.

Senator VEST. You told them you were?

Mr. STEWART. I told them I was.

Senator VEST. Did you have anything to do with these other loans?

Mr. STEWART. No, sir; I never was consulted in regard to them.

Senator VEST. You had nothing to do with the syndicate transaction or with the hundred-million transaction?

Mr. STEWART. As an individual I had no interest whatever. The Trust Company was awarded participation in the third loan.

Senator VEST. You mean the syndicate loan?

Mr. STEWART. The syndicate loan.

Senator VEST. How much did you say?

Mr. STEWART. I said it was awarded a participation.

Senator VEST. Speaking of that participation, what amount was awarded to your company?

Mr. STEWART. You can ascertain that more correctly from Mr. Morgan; he doubtless has all the figures.

Senator VEST. Mr. Morgan declined to state to whom he sold the bonds.

Mr. STEWART. I think that is a question for him to answer, not for me.

The CHAIRMAN. If it is a matter within your personal knowledge, I see no reason why it might not be as good a question for you to answer as for him or anyone else.

Mr. STEWART. I do not know to whom they were awarded, otherwise than as I have stated. I do not know who the other parties were.

The CHAIRMAN. Do you not know the number of bonds or the amount in dollars of the bonds that were awarded to the Trust Company with which you were connected?

Mr. STEWART. I do.

The CHAIRMAN. What was the amount?

Mr. STEWART. \$1,800,000.

Senator VEST. At what price did you get those bonds?

Mr. STEWART. Well, sir, I think I should decline to answer that question. Mr. Morgan is the proper person to give that.

Senator VEST. Mr. Morgan declined to state on what terms he disposed of the bonds of which you say you got \$1,800,000. I ask you now directly, what amount you paid for those bonds?

Mr. STEWART. I decline to state.

The CHAIRMAN. If no other member of the committee desires to propound any other questions, I will ask Mr. Stewart whether there is any further statement which he wishes to make?

Mr. STEWART. I think that covers all the facts of the case.

Mr. Stewart withdrew.

CONRAD N. JORDAN, SWORN AND EXAMINED.

Senator VEST. Will you please state to the committee what official position, if any, you occupy?

Mr. JORDAN. I am assistant treasurer of the United States at New York.

Senator VEST. How long have you held that place?

Mr. JORDAN. Since the coming in of the present Administration.

Senator VEST. Do you remember an interview that was held at the

subtreasury in 1895 between Mr. August Belmont, Mr. Pierpont Morgan, Mr. Curtis, and yourself?

Mr. JORDAN. I do.

Senator VEST. How did that interview occur?

Mr. JORDAN. I do not say this of positive knowledge, because I gave no invitation to that effect, but I think that Mr. Belmont and Mr. Morgan were there by Mr. Curtis's invitation.

Senator VEST. Was anybody else present except the four gentlemen I have named?

Mr. JORDAN. There were only Mr. Curtis, Mr. Morgan, Mr. Belmont, and myself. There were gentlemen who preceded them, but went out upon their coming in.

Senator VEST. Who were those gentlemen that preceded them?

Mr. JORDAN. I can not remember very well. Mr. Speyer was one. I think I could obtain the names and write them to the committee.

Senator VEST. What is Mr. Speyer's business here?

Mr. JORDAN. He is a banker—a foreign banker.

Senator VEST. Were these gentlemen, who preceded Mr. Belmont and Mr. Morgan, gold exporters?

Mr. JORDAN. Some were and some were not.

Senator VEST. What were they doing at the subtreasury?

Mr. JORDAN. They simply came there to ask information as to the situation—I, possibly, asking information of them as well.

Senator VEST. What was the substance of that conversation held between Mr. Belmont, Mr. Morgan, Mr. Curtis, and yourself?

Mr. JORDAN. I am unable to state the conversation at all. The only part that I had in it was that of giving information when required (and nothing beyond that), as to the then condition of my office.

Senator VEST. You do not remember what Mr. Belmont and Mr. Morgan said to Mr. Curtis, or what Mr. Curtis said to them?

Mr. JORDAN. I can not. I did not take an active part in it. When called upon, I answered as to the condition of my office (or the possible condition of things at that time, or next week, and what not), as to the shipments or loss of gold.

Senator VEST. Had Mr. Curtis conferred with you prior to the coming there of Mr. Morgan and Mr. Belmont as regards the condition of the Treasury?

Mr. JORDAN. He had.

Senator VEST. Will you state whether anybody came to the subtreasury and tendered \$4,500,000 of gold, or any part of it, in payment for the bonds that Mr. William Graves had had assigned to him?

Mr. JORDAN. No, sir; no such tender of gold was made to me at any time.

Senator VEST. State what occurred with anybody about the 15th of February, 1895, with regard to that matter.

Mr. JORDAN. I had seen Mr. Graves several times with reference to his bid. He had said he would make a payment upon the delivery of the bonds to him at that point—that is, in this city. That is not customary, nor is it the rule of the Department. The receipts which are given for the moneys are sent to Washington by the makers of the bids, then the maker of a bid obtains the bonds. They are subject to his order as to delivery. They can be delivered anywhere he pleases. I, of course, could not accept such an offer as that, and declined to do so. But no money—no gold—was tendered.

Senator VEST. What did Mr. Graves say?

Mr. JORDAN. There were several propositions made by him, but they

were alike inadmissible. He asked me, for instance, whether, if he tendered the gold, I would deliver the bonds. I told him I could not deal with alphabetical questions; that if he tendered me the gold, I would make proper answer. I am trying now to remember what did occur. I think I can only say that it was all in that vein—that if I would do so-and-so, he would do so-and-so. That being merely talk and not money, I paid no attention to it, and declined to have anything to do with it.

Senator VEST. Did anybody else come there in respect to that matter?

Mr. JORDAN. Yes.

Senator VEST. Who?

Mr. JORDAN. I think both the Laidlaws came there in reference to it. I think they made a statement that if I would, or the Secretary would, receive greenbacks in preference to gold for the bonds they would make the payment. That I declined, as being illegal. There were others. Ladenburg, Thalmann & Co. said they would also make the payment provided they could have the bid indorsed directly to them; that is, that they should receive the bonds—that they should make the transaction. There was this difficulty in the Graves matter. Mr. Graves had signed his bid—I forget the initials used, but otherwise the signature was “Graves and associates.”

The CHAIRMAN. “William Graves and associates”?

Mr. JORDAN. “William Graves and associates.” It seems that he had no associates, and the difficulty in New York was to acquire title without reference to those associates, which made it difficult for him in negotiating the bonds.

I had also an interview with one or two brokers, one I remember—Mr. Kitchen. I do not remember the other gentleman who came to me and stated to me that that was a difficulty in the negotiation, but he thought he had placed the bonds, and that they would make the payments on account of Mr. Graves. No payments were ever made. It was all talk.

Senator VEST. No money was tendered, then?

Mr. JORDAN. No money was ever tendered on account of the Graves bid.

The CHAIRMAN. You say that the method of conducting these transactions is for the bidder to pay the money into the subtreasury, for which you give a receipt?

Mr. JORDAN. Yes.

The CHAIRMAN. That receipt is forwarded to the Treasury Department at Washington?

Mr. JORDAN. Yes.

The CHAIRMAN. And the bonds are issued upon the reception of that receipt at the Treasury Department?

Mr. JORDAN. It is a voucher for the issuing office at Washington to deliver the bonds by. They could not be delivered without that.

The CHAIRMAN. Is that the invariable rule in respect to conducting these transactions?

Mr. JORDAN. It is the invariable rule that the receipt must issue from my office and the issue be made at Washington.

The CHAIRMAN. That receipt must be first transmitted?

Mr. JORDAN. That receipt must be transmitted from here and received there before the bonds can be got.

The CHAIRMAN. And you know of no exception to that rule?

Mr. JORDAN. No.

The CHAIRMAN. Mr. Graves has said that a different rule prevailed with regard to other subscribers.

Mr. JORDAN. I might explain that by saying, so far as concerns the sending of receipts to Washington, that there were receipts sent by the syndicate, and for those receipts the bonds were sent back to me, and the bonds were delivered as they presented the money.

The CHAIRMAN. But they were not issued until the receipts were at the Treasury Department?

Mr. JORDAN. They were at Washington and held in Washington.

Senator PLATT. And the people to whom the bonds were to be delivered ordered them sent to you to be delivered by you?

Mr. JORDAN. That is correct.

Senator VEST. But no individuals or corporations ever received their bonds without the money being specifically received, and the certificate received at Washington City?

Mr. JORDAN. In every case.

Senator WALTHALL. You never did for anybody else what you declined to do for Mr. Graves?

Mr. JORDAN. I never have done, nor will I ever do.

Mr. GRAVES. If the committee please, may I suggest certain transactions to Mr. Jordan in that connection?

The CHAIRMAN. We will hear any suggestions you wish to make.

Mr. GRAVES. I wish to call Mr. Jordan's attention to this fact, that I informed him, in the interest of Ladenburg, Thalmann & Co., who were associated with me in this transaction, that if he would deliver the bonds at the subtreasury in accordance with the contract, Ladenburg, Thalmann & Co. would pay for them, and he (Mr. Jordan) in his answer to me said he could not do that. I said to him, "You have bonds here." He said to me, "But they are a special order." I, in answer to that, said, "Please make mine a special order also." Further than that, I am informed by Abraham White that the Third National Bank of New York did deposit gold in their own name, took a temporary receipt in their own name, and received the bonds, that receipt being delivered at the subtreasury, and the transaction was made to appear in the name of Abraham White.

The CHAIRMAN. Will you please make your statement now, Mr. Jordan, in respect to that?

Mr. JORDAN. It is not true, sir. There is a thing that might be confounded with this, by reason of the fact, as the committee is probably aware, that the banks held deposits of the Government in connection with the payments on those bonds. An order is issued by the Secretary of the Treasury directing a bank to make a deposit at the United States Treasury at New York. Thereupon I surrender to that bank—this being long subsequent to the original transaction of the receipts—I surrender to that bank the bonds held as security for the deposits of the national bank. I deliver the bonds not because the party concerned is a bank, but because of the fact of the deposit.

Senator PLATT. The Secretary of the Treasury, in his statement, says substantially that at the time of the February purchase of gold there was no gold coin available for redemption purposes in the Treasury, and that some millions of greenbacks or Treasury notes had been presented which had not been paid. Is that so?

Mr. JORDAN. He said what?

Senator PLATT. That there had been a demand for redemption of greenbacks which had not been met.

Mr. JORDAN. That is not correct.

Senator PLATT. I will see what he says.

The CHAIRMAN. I shall be glad to see that, because Senator Platt's statement is not in accordance with my recollection.

Mr. JORDAN. I would like to submit a written statement showing all the transactions connected with the movement of gold, etc., for the last two or three years, divided into periods, and will be glad to make any explanation which may be necessary to make the statement entirely intelligible, though I think it is perfectly clear. It shows the history of the matter.

The CHAIRMAN. The statement is a transcript of the records of your office in respect to these transactions?

Mr. JORDAN. Yes; but it includes rather more than that, as it gives general information in regard to the receipts and deposits of gold, etc. All the transactions appear there. It shows the position of affairs at the beginning, then it shows the date of payment of gold, the amount that accrued to the Treasury by reason of the payment, the deposit which resulted from outside gold, and the amount received from the Treasury itself. I hope the statement will be found a clear one.

Senator WALTHALL. Do you wish this to go in as part of your testimony?

Mr. JORDAN. I am perfectly willing that it should go into the record, if you so desire.

The CHAIRMAN. It will become a part of the record. It is difficult to remember so many figures and I would like to have the matter perfectly clear.

Mr. JORDAN. I shall be glad to explain any point upon which you may desire any further light.

The statement is as follows:

The gold movement and bond issues, 1893-1896.

[Amounts in millions of dollars and tenths.]

FIRST PERIOD—JANUARY, 1893, TO FEBRUARY, 1894.

Date.	Reserve.	New York banks' specie holdings.	With- drawals.	Exports.	Net ex- ports (—) or imports (+).
1893.					
January 1.....	121.3	76			
January 31.....	108.2	85.3	11.5	12.6	—12.2
February 28.....	103.3	73	13.8	14.2	—13
March 31.....	106.9	71.6	4.9	8.1	— 1.5
April 30.....	97	70.7	20.1	19.1	—18.3
May 31.....	95	70.2	16.5	16.9	—15.2
June 30.....	95.5	63	4.2	2.7	— 1.7
July 31.....	99.2	62.6	1	.2	+ 5.8
August 31.....	96	66.9	2.3	.9	+40.6
September 30.....	93.6	80.8	.3	1.4	+ 5.2
October 31.....	84.4	96.6	.7	.5	+ 1.1
November 30.....	83	104.4	.5	.3	+ 4.1
December 31.....	80.9	106.3	.5	2.7	— 1.9
1894.					
January 31.....	65.6	129.6	.4	1.3	— .6
February 28.....	106.5	97.5	19.2	3.2	— 1.1
			95.9	84.1	— 8.7

“New York banks’ specie holdings” include about 10 per cent silver coin and certificates, and are for the end of the week nearest the last day of the month.

The statement of the Treasury reserve is always published on the third day after operations in New York, hence is two days later in point of time than this statement.

The bond issue of February, 1894.
Circular of January 17, 1894.
Payments began February 2, 1894.
Payments ended March 2, 1894.
Net proceeds, 73.1 per cent.

Reserve, January 17, 1894.....	71.5
Reserve, February 4, 1894 (low point).....	64.5
Proceeds of sale.....	58.7
Should have produced.....	123.2
Reserve, March 6, 1894 (high point).....	107.4
Net loss.....	15.8

From January 1, 1893, to January 31, 1894, the Treasury net loss was \$56,700,000; the withdrawals, almost entirely for export, were \$76,700,000; so that the Treasury must have gained by the exchange of notes, etc., \$20,000,000—small notes and other changes.

The withdrawals during February, 1894, were largely for the bond payment; allowing for the exports \$3,200,000, leaves \$16,000,000 to be accounted for, which was about the net loss on the bond payment.

SECOND PERIOD—FEBRUARY TO NOVEMBER, 1894.

[Amounts in millions of dollars and tenths.]

Date.	Reserve.	New York banks, specie holdings.	Withdrawals.	Exports.	Net exports (—) or imports (+).
1894.					
February 28	106.5	97.5			
March 31	106.1	100.2	3.5	4	— 2.9
April 30	100.2	99.5	7.7	11.7	— 9.4
May 31	78.7	99	26.5	27.4	—23.1
June 30	64.9	92.5	22.2	23.3	—22.4
July 31	55	90.6	13.9	14.2	—12.8
August 31	55.2	91.2	4.7	5.1	— 1.9
September 30	58.9	92	.9	.2	+ .4
October 31	61.4	93.7	3	1.1	+ .5
November 30	105.4	76.5	7.8	.4	+ 1.5
			90.2	87.4	—70.1

The withdrawals were chiefly for export. A small amount was lost to prospective bond purchasers whose bids were rejected.

The bond issue of November, 1894.
Circular of November 13, 1894.
Payments began November 29, 1894.
Payments ended December 7, 1894.
Apparent net proceeds 91.7 per cent.¹

Reserve November 15, 1894.....	62.0
Reserve November 27, 1894 (low point).....	57.6
Proceeds of sale	58.4
Should have produced.....	116.0
Reserve December 6, 1894.....	111.1
Net loss	4.9

THIRD PERIOD—DECEMBER, 1894, TO FEBRUARY, 1895.

[Amounts in millions of dollars and tenths.]

	Reserve.	New York banks' specie holdings.	Withdrawals.	Exports (New York only).	Net exports (—) or imports (+).
1894.					
November 30	105.4	76.5			
December 8	110	59.2	8.3	1.3	— 1.3
December 15	101.7	65.5	10.7	3.6	— 3.6
December 22	90.8	72.1	8.1	3.9	— 3.9
December 29	88.6	73.8	3.7	.9	— .9
			a 30.8	9.7	— 9.7
1895.					
January 5	83.5	75.9	4.5	4.5	— 4.4
January 12	79.9	75.5	3.8	2.1	— 2.1
January 19	74.3	78	7.2	5.4	— 5.2
January 26	63.8	81.2	14.9	7.3	— 7.2
February 2	42.3	81.6	14.5	7.2	— 7
February 9	42	82.3	1.8	.1	— .1
			46.7	26.6	—26

a Excess of withdrawals over exports, \$21,100,000, chiefly used to repay borrowings on account of bond payments.

Gold loss in excess of export demand, in January and to February 9, about \$20,000,000.

¹ Large amounts of gold were borrowed for the purpose, and repaid by drawing from the Treasury in December, as shown below.

The New York subtreasury balances.

[Weekly from November 30, 1894, to January 31, 1895, and daily from February 1 to 8, 1895.]

[Amounts in millions of dollars and tenths.]

Date.	Gold balance.	Gold from other offices.	Silver coin.	Paper currency.	Paper currency to Washington.
1894.					
November 30	65.1	.....	47	66	.....
December 8	57	.....	47	74	3.5
December 15	43.8	.....	47.2	78	5.7
December 22	35.5	.....	47.5	77.6	4.3
December 29	33.1	.....	47.5	78	1.8
1895.					
January 5	27.4	.....	47.8	<i>a</i> 75.6	3.2
January 12	23.7	.....	48	<i>a</i> 71.1	5.4
January 19	22.1	5.5	48.1	<i>a</i> 67.2	4.6
January 26	17.4	9	48.2	75.3	3.6
January 31	16.8	12.3	48.4	83	2.6
February 1	18.5	.7	48.4	83	.4
February 2	19.5	1	48.4	80.2	.7
February 4	21	1	48.4	80.6	.2
February 5	20.6	.....	48.4	80.4	.8
February 6	19.9	.....	48.5	80	.8
February 7	19.6	.....	48.3	80	.5
February 8	19.6	.....	48.3	79.5	.6

a Heavy interest payments.

This table shows that the New York subtreasury lost all the gold on hand November 30 and about \$10,000,000 of the sum transferred to it from other offices.

By the end of January, 1895, the gold coin in all Treasury offices was reduced fully \$3,000,000 below the amount of outstanding gold certificates, and the deficiency continued until February 14.

"Paper currency to Washington" refers to notes and certificates, unfit for circulation, redeemed.

The bond issue of February, 1895:
 Contract signed February 8, 1895.
 Payments began February 9, 1895.
 Payments ended June 24, 1895.

Reserve February 12, 1895 (low point)	41.3
Proceeds of sale	65.1
	106.4
Reserve June 30, 1895 (high point)	107.5
Net gain	1.1

FOURTH PERIOD—PENDING SYNDICATE CONTRACT, FEBRUARY TO AUGUST, 1895.

[Amounts in millions of dollars and tenths.]

Date.	Reserve.	New York banks, specie holdings.	Withdrawals.	Exports.	Net exports (—) or imports (+).
1895.					
January 31	44.7	81.6	.....	.....	.....
February 28	87.1	69.6	5.6	1.6	+ 4.1
March 31	90.6	65.6	1.1	3.1	+ 4.1
April 30	91.2	68.2	1	2.9	+ 2
May 31	99.2	70.6	1.2	1.6	+ 3.3
June 30	107.5	65.2	1	.1	+ 2
July 31	107.2	65.5	3.8	3.9	— 3.3
August 31	100.3	65.4	16.6	16.7	—15.1
	.....	.....	30.3	29.9	— 2.9

From the low point on February 12, \$41,300,000, to the highest point in June, \$107,500,000, the Treasury gained \$66,200,000; in addition to this the Treasury was reimbursed for \$6,500,000 lost after February 12 through withdrawals, of which intending exporters returned \$1,800,000 and the syndicate provided \$4,700,000; during July and August the Treasury lost through withdrawals \$20,400,000, but the reserve was reduced only \$7,200,000, showing that \$13,200,000 were provided by the syndicate, making an apparent total of \$84,100,000 supplied, or about \$19,000,000 in excess of the amount specifically contracted for.

FIFTH PERIOD—AUGUST, 1895, TO JUNE, 1896.

[Amounts in millions of dollars and tenths.]

Date.	Reserve.	New York banks' specie holdings.	With- drawals.	Exports.	Net ex- ports (—) or im- ports (+).
1895.					
August 31.....	100.3	65.4	.....	.....	.....
September 30.....	92.9	61.7	17.4	17.4	—16.7
October 31.....	92.9	64.2	2.2	1.9	— .1
November 30.....	79.3	66.2	16	14.1	—13.5
December 31.....	63.3	67.1	20.2	15.5	—14.2
1896.					
January 31.....	49.8	76.8	16.4	10.6	— .2
February 29.....	124	60.3	21.7	2.2	+ 9.4
March 31.....	128.6	58.9	6.9	.4	+ .3
April 30.....	125.4	59.3	7.1	3.8	— 2.7
May 31.....	108.3	62.5	20.1	19.1	—18.5
			128	85	—56.2

The loss in excess of the export demand was \$43,000,000; partly in connection with the bond issue of February, 1896, as shown below.

The withdrawals for purposes other than export or industrial purposes at the New York subtreasury from January 1 to May 31, 1896, were as follows: By banks, bankers, and firms, \$31,334,700, in 347 lots, averaging \$90,300 each; by individuals, \$5,085,400, in 2,349 lots, averaging \$2,165 each.

The bond issue of February, 1896:
Circular, January 6, 1896.
Payments began February 10.
Payments ended June 15.
Net proceeds, 75.6 per cent.

Reserve, January 6, 1896	61.5
Reserve, February 10 (low point)	44.6
Proceeds of sale.....	111.1
Should have produced.....	155.7
Reserve, March 30 (high point)	128.7
Net loss.....	27

Senator PLATT. While I am looking up the matter to which I referred, I will ask another question. Why was not the bullion that was in the Treasury on the 1st of February available for redemption and for export?

Mr. JORDAN. I can answer that in two ways: First, that I am not the custodian of that bullion and could not touch it at all. That bullion is in the custody of the superintendent of the assay office in New York. But there is another reason. The man who procures a bar at the United States Treasury as a rule takes in exchange for the bar, when its value has been ascertained, a check upon the United States Treasury payable in coin, presents the check, takes the money, and the bar goes into the custody of the assay office, and does not go into the cash at all. The Superintendent of the Mint pays for the bars, and he is their custodian. We have nothing to do with the bars whatever.

For the month prior to the loan we ranged from \$1,500,000 to \$2,500,000 short of the amount necessary to redeem the gold notes. They were in excess constantly during that period.

Senator PLATT. That being the fact about bullion or bars, is there no use that the Department makes of the bars except to coin them?

Mr. JORDAN. Yes. The bars are cut into small bars and sold to jewelers. The jewelers present themselves at the assay office and ask for certain bars. They get a memorandum of the cost of the bars, they present the money with, I think, 4 cents per hundred, in addition, to our office, and we give them credit for it or the legal tenders for it. They pay the superintendent of the assay office and take the bars from him. That, I think you will find, is a regular provision of the law—that those jewelers' bars can be sold at a specified rate. Then, there is another way. The Secretary having instructed me that I may sell

bars at such a price, I so inform the shippers of gold; they proceed to the assay office and do as I have said—they get a statement of the value, and of the premium, whatever that may be, deposit that premium and the legal tenders in my office, getting a receipt from me which they present to the superintendent of the assay office, and get the bars from him.

Senator VEST. Are those bars preferable for export to coin?

Mr. JORDAN. Yes; for certain reasons. The by-product in the bars makes them desirable for shipment. Then they are in more convenient form. They are preferable for export to poor or indifferent coin, or coin that has had some measure of use. There is a loss on coin, caused by dirt and abrasion, which may perhaps be fairly estimated at from one-eighth to one-quarter of 1 per cent, and that loss is invariably suffered in changing from coin into bars. Those are the reasons why bars are preferable to coin for shipment.

Senator PLATT. Mr. Carlisle, in his statement, speaking of the month of December, 1894, says:

In that month the withdrawals amounted to \$31,907,221, and during the next (January, 1895) they amounted to \$45,117,738, and they continued without diminution during the early days of February, until, on the 8th of that month, the reserve had been reduced to \$41,340,181, and several million more had been demanded, a part of which was taken out and afterwards returned to the Treasury on account of the temporary restoration of confidence, resulting from the fact that it became generally known to the public that measures were about to be taken for the replenishment of the reserve.

So that Mr. Carlisle does make the statement that several millions more had been demanded.

Mr. JORDAN. No; you misapprehend Mr. Carlisle, I think. The gold had been either actually withdrawn or promised to be shipped—that is, they notify us, sometimes the day before and sometimes two days before, that they desire the gold. The gold had been so demanded; part was paid and part was in the shape of demand, and that is the gold to which Secretary Carlisle refers. No refusal to pay a greenback was ever made in my office.

Senator PLATT. I do not suppose there was, but you do not pay every greenback the very moment it is presented, I presume?

Mr. JORDAN. We do; but if, for instance, it is from a responsible party, say the Bank of New York or the Merchants' Bank, or any other first-class bank, we take their written guaranty, and will give them the gold on that written guaranty. But if a stranger presents us thirty or forty or fifty thousand dollars, we give a memorandum receipt, count the money, and after verification (that is, seeing that there is no counterfeit or bad money in it) we deliver the gold. We hold it only so long as is necessary for that purpose.

Senator PLATT. When Mr. Carlisle was before the committee a short time ago at Washington, this testimony was given by him in reply to the questions that I will read:

Senator PLATT. You say that there was no gold coin in the Treasury?

The SECRETARY OF THE TREASURY. Not a dollar belonging to the Government.

Senator PLATT. Had you been paying out bullion?

The SECRETARY OF THE TREASURY. Let me add what I have not up to this time stated—that we had outstanding gold certificates for which we held, in fact, no gold coin, because the demands upon the Treasury had been so great that the coin had been paid out until we had actually reached a point where we did not have the gold coin to redeem the certificates if they had come in.

Senator PLATT. That is to say, you had used the coin which was pledged for the certificates, or against which the certificates went out?

The SECRETARY OF THE TREASURY. We had used some of that coin and we had furnished bullion for shipment, and I had ordered from points in the West—San

Francisco, St. Louis, etc.—gold to be concentrated at New York, and had given directions to the assistant treasurer in New York that when demands were made for gold he should fill them in the order in which they came—in chronological order as they came in.

Senator PLATT. You say in your statement that demands had been made for several millions.

The SECRETARY OF THE TREASURY. That was stopped, as I stated. The report went out that we were negotiating a loan, and the withdrawals were suspended between the visit of Mr. Curtis to New York and the 8th of February, when we made the contract.

Senator PLATT (to Mr. Jordan). You say that there were no demands there that had not been filled?

Mr. JORDAN. You might put in a word omitted and say that the gold coin had been demanded. You imagine that this has something to do with the payment of the greenback. That is not correct. If on Saturday they want to ship gold, they notify us on Friday. In the interim this transaction takes place. In the meantime the shippers do not ship.

Senator PLATT. So that the greenbacks had not been presented?

Mr. JORDAN. No.

Senator PLATT. You simply received notice that they would be presented?

Mr. JORDAN. Yes; that is all.

Senator PLATT. Then the reserve was reduced to only \$41,340,181, and the rest was notices that the coin would be wanted?

Mr. JORDAN. Yes; they usually put them on board either early in the morning on the day of shipment, or, if not early in the morning, they put them on board over night. But the Secretary in stating that he had instructed the treasurer at New York to pay gold for the gold notes is literally correct, and it can be further said that the inability of the Government extended further than that. There could not have been more than twenty-five or thirty millions of available gold on that day in the United States Treasury subject to be used for shipment.

Senator VEST. You say available?

Mr. JORDAN. Available; yes.

Senator VEST. You do not count the bullion?

Mr. JORDAN. We do not count the bullion unless we can sell it. I am now confining myself to the coin. There were in the city of New York at the time twenty or thirty millions of gold certificates that could have been presented and the gold taken away. We had on that day only about \$19,000,000 of gold. The balance was scattered about; in San Francisco, about \$10,000,000; in Chicago, about \$5,000,000. I can give you the others, if you like, so that you can have thorough knowledge on the point. I would like to show the method in which the bar business is done. There [exhibiting a paper] are the transactions in bars as they occur daily.

The CHAIRMAN. With reference chiefly to the keeping of the account?

Mr. JORDAN. Yes.

The CHAIRMAN. The "agents" mentioned are agents of the Treasury Department?

Mr. JORDAN. Yes.

The CHAIRMAN. So that it is a matter of bookkeeping?

Mr. JORDAN. Yes; but at the same time suppose the certificates had been presented on that day, I would have been unable to use those bars because they were in the custody of another person.

The CHAIRMAN. And he would have had to follow the routine?

Mr. JORDAN. Yes, sir.

Senator JONES, of Nevada. Could not that routine have been fixed so as to make the bars available for the moment?

Mr. JORDAN. I think not, because we could not use bars in redemption.

Senator JONES, of Nevada. I should think that people would prefer them.

Mr. JORDAN. I have the papers to show how the title passes. The man who deposits the bar ceases to have all claim upon it. He receives a check for it from the superintendent of the assay office; he presents the check, draws the money, and that is the end of it. The bar becomes then the property of the United States, and is in the custody of the superintendent of the assay office, and is unavailable for any purpose to me for the United States Treasury without the order of the United States Treasurer and the Director of the Mint.

Senator JONES, of Nevada. What I was asking was, whether in a time of great emergency these bars (being on hand all the time) could not be made available to you in case of danger of a great panic?

Mr. JORDAN. I could not have paid them to anybody; it would have been only by negotiation.

Senator JONES, of Nevada. Nearly all the gold coin in the Treasury was, as I understand it, demanded for shipment, as the records show.

Mr. JORDAN. I think there was a certain percentage of it that was withdrawn for private hoarding.

Senator JONES, of Nevada. Was not that a very small portion?

Mr. JORDAN. No; I think not. The document that I handed to your chairman here will show. There is a large business done according to that paper, and not a dollar goes to the United States. Those [indicating] are the notifications that they have issued such checks.

In November we had the loan issued. In that particular loan they adopted an entirely different course from any other loan either before or since. They borrowed the gold to take up the loan with; did not draw it from us at all. After the loan was taken and paid for, then they took the legal tenders and made the gold payments to the parties who loaned the gold.

The CHAIRMAN. You mean that the purchasers of the bonds borrowed the gold?

Mr. JORDAN. They borrowed the gold, made the payment to us in gold, and then thereafter presented the legal tenders, drew the gold, and paid the loan. This was done to the extent, I think, of twenty or thirty million dollars.

The CHAIRMAN. This last paper that you handed me—do you wish it to go into the record?

Mr. JORDAN. No; it is not a matter of importance. It shows only the manner in which the title to the bars is obtained. We pay for them, but the custody of the bars is not with us. In the statements made by the Secretary, or by the Treasurer, of the condition of the Treasury, there are always two days difference between the position at New York and the position at Washington. When the accounts are made up they are sent to Washington, so that there are always, therefore, a couple of days to be allowed for in the statements.

The CHAIRMAN. You mean that the statement from the Department is two days later than your report to the Department?

Mr. JORDAN. Yes; the Government statement is always behind mine two days. This [producing a paper] is the statement upon which it is based.

The CHAIRMAN. This is the form of your report?

Mr. JORDAN. Yes; the form on which the Washington report is based. This shows the money received, the account on which it was received, and also the payments.

The CHAIRMAN. This states only a part of the Treasury statement, which, I suppose, is made up from all the subtreasuries.

Mr. JORDAN. From all the subtreasuries and the mint.

The CHAIRMAN. Is there any additional statement that you wish to place on record?

Mr. JORDAN. None, except that I had assumed that you gentlemen would like to question me with reference to that statement that I have presented here. In that statement you will find how far the hundred million reserve was maintained by the syndicate which was up to September 5.

The CHAIRMAN. You have seen Mr. Carlisle's statement with reference to that?

Mr. JORDAN. I have read the newspaper account of it, but not the Secretary's own statement.

Mr. Jordan withdrew.

Mr. GRAVES. I wish to state to the committee that there is here present a gentleman, Mr. Chapin, whom Mr. Abraham White informed me had paid money and in the name of the Third National Bank received bonds and subsequently took up the temporary receipt.

The CHAIRMAN. Mr. Chapin will be sworn.

HENRY CHAPIN, JR., SWORN AND EXAMINED.

The CHAIRMAN. Will you state whether or not you have had a transaction with the Treasury Department relating to the issue and delivery of United States bonds?

Mr. CHAPIN. I have had.

The CHAIRMAN. The point is, by what method the bonds were received by you—what were the steps from the time that you were notified that the bonds were allotted to you until they came to your hands?

Mr. CHAPIN. You refer now not to the matter of Abraham White, but to that of the Third National Bank—because they are two things?

The CHAIRMAN. Did you, or the bank, act as the agent of Mr. White in respect to the receipt of those bonds?

Mr. CHAPIN. We did for a part of them.

The CHAIRMAN. State the method by which they came to your hands as the agent and attorney of Mr. White.

Mr. CHAPIN. Our agreement was with the Hancock National Bank, of Boston. We did not know Mr. White. At their request, when they brought Mr. White in, we took the allotment certificate which he held—400,000 in his own name, and 500,000 in Mrs. White's name. We reckoned the premium and interest, and took into the Treasury the actual money necessary to pay for the first 20 per cent on their allotment. We received a temporary receipt. They gave us later the receipts for the money, in the name of Abraham White and of his wife, Cora Teresa White. We sent each of those receipts to the Secretary of the Treasury and some days later we received the bonds, \$80,000 in one name, I think, and \$100,000 in another name.

The CHAIRMAN. You had deposited the coin in the subtreasury, here in New York?

Mr. CHAPIN. Yes.

The CHAIRMAN. And you had taken a certificate of that deposit?

Mr. CHAPIN. Yes.

The CHAIRMAN. You sent that certificate to the Treasury Department?

Mr. CHAPIN. Not the first one. The temporary receipt, we did not,

but the regular certificate in the name of Abraham White and the one in the name of Cora Teresa White, we sent to the Department.

The CHAIRMAN. But that certificate of payment went to the Department, if I understand you, before the bonds were issued and sent you?

Mr. CHAPIN. Yes.

Senator VEST. That is the only transaction you had of this sort?

Mr. CHAPIN. No; we did the same thing for quite a number of bonds for the Hancock National Bank, but we did it always in the same way. Well, no; in some cases we did not; we took the receipt in the name of the Hancock National Bank or their customers, and sent the receipts to Washington, and the bonds were sent to Boston. The transaction was always effected in the way of sending the receipt first to Washington, and the bonds were sent either to Boston or to us.

The CHAIRMAN. The point that we wish particularly to know is, whether or not the money was always paid and the certificate always issued before the bond was issued to the person entitled to it.

Mr. CHAPIN. It was, every time. We never saw the bond until the money was paid.

The CHAIRMAN. And subsequent to having sent the certificate of the payment?

Mr. CHAPIN. Yes.

Mr. Chapin withdrew.

JAMES T. WOODWARD, SWORN AND EXAMINED.

The CHAIRMAN. What is your business?

Mr. WOODWARD. I am president of the Hanover National Bank.

The CHAIRMAN. Have you at any time in the years 1894, 1895, or 1896 had any transaction with the Treasury Department in receiving United States bonds that had been issued by that Department?

Mr. WOODWARD. Yes, sir.

The CHAIRMAN. What was the method by which you obtained possession of such bonds?

Mr. WOODWARD. That is a matter to which the subordinate officers of the bank always attend, but I presume they followed out the usual course of depositing the coin and receiving the receipts, sending the receipts to Washington, and subsequently getting the bonds. That is a matter to which I do not attend. It belongs to the department of detail in the bank.

The CHAIRMAN. Am I to understand that your understanding is that that is the invariable method by which the bonds are received?

Mr. WOODWARD. I think so, sir.

The CHAIRMAN. But those transactions were conducted by other agencies of your institution?

Mr. WOODWARD. By other officers; yes.

Mr. Woodward withdrew.

MR. GRAVES RECALLED AND FURTHER EXAMINED.

The CHAIRMAN. What do you expect to prove by Mr. Thalmann?

Mr. GRAVES. I want to prove by Mr. Thalmann that he went to the subtreasury and notified them that he was willing to meet the terms of the purchase of bonds made by me in accordance with the terms of the bid and its acceptance.

The CHAIRMAN. Did you hear Mr. Jordan's statement on that subject?

Mr. GRAVES. I did, sir.

The CHAIRMAN. Do you expect to prove a different state of facts from those stated by him in respect to the transactions between him and Mr. Thalmann?

Mr. GRAVES. Not so far as he expressed himself, but he did not go quite far enough. He simply said that Mr. Thalmann came there and said that he would pay the money upon a transfer of my purchases to the other members of the syndicate from me or to Ladenburg, Thalmann & Co., or he would accept a power of attorney, either of which Mr. Jordan said that he declined doing, because it was not the customary method of doing business. But he did not say that Mr. Thalmann notified the subtreasury that he was willing to pay the money in accordance with the terms of my purchase of those bonds, and the question was not asked him.

The CHAIRMAN. That is the extent to which you expect his testimony to go?

Mr. GRAVES. That is all; yes. I simply want to try and substantiate this fact, that that property was mine, that I was not a bankrupt, and that I was in a position to meet the terms of the contract fully and absolutely.

The CHAIRMAN. But you have admitted that you did not pay the money on the 15th.

Mr. GRAVES. Simply because the Department refused to allow me to do it.

The CHAIRMAN. Allow me to state what I understand the case to be. You admit that, according to the terms of the agreement that existed, you were to pay a certain percentage of the amount on the 15th of February?

Mr. GRAVES. Precisely.

The CHAIRMAN. You admit that you did not do that?

Mr. GRAVES. I admit that I did not do it.

The CHAIRMAN. You admit that you did not tender the money?

Mr. GRAVES. I admit that I did not make a legal tender of the gold.

The CHAIRMAN. That is exactly what I meant by asking you if you did not admit that you did not make a tender of the money.

Mr. GRAVES. I withdraw that, and say I did not admit that.

The CHAIRMAN. You did the other day.

Mr. GRAVES. Perhaps that construction can be put on it, if you put it that way.

The CHAIRMAN. I will ask you now, did you, on the 15th day of February, pay into the subtreasury in New York the percentage that you were required to pay on the bonds for which you had subscribed—did you pay the amount of money equal to the percentage that you were required to pay on the day of your subscription?

Mr. GRAVES. Did I pay it? No, sir; it was not paid.

The CHAIRMAN. Did you tender that amount of gold to the subtreasurer?

Mr. GRAVES. My associate, Mr. Thalmann, did.

The CHAIRMAN. Your associate, Mr. Thalmann, tendered that amount of gold?

Mr. GRAVES. He told me he did—under the conditions of the contract.

Senator WALTHALL. How long is it since you saw Mr. Thalmann?

Mr. GRAVES. I have not seen him in two or three weeks.

Senator WALTHALL. Did he tell you that he would testify to that fact?

Mr. GRAVES. I have not asked him to testify to anything.

The CHAIRMAN. If we get Mr. Thalmann here, do you tell the committee

that you believe he will depose to the fact that he tendered the gold to Mr. Jordan?

Mr. GRAVES. In accordance with the conditions of the contract of purchase.

The CHAIRMAN. Will he depose to the fact that he carried the gold there and offered it to Mr. Jordan?

Mr. GRAVES. No, sir; he will not say that; neither did he.

The CHAIRMAN. I know what opinion the committee would entertain and I know very well my own opinion—that nothing short of a payment or an actual tender entitled you to expect the delivery of the bonds. That would certainly be my own opinion. I should be very glad to have Mr. Thalmann here and to have his statement put on record, if we can get him here. You heard Mr. Jordan's statement as to what the Laidlaws offered to do?

Mr. GRAVES. Yes. It is out of the customary way of doing business down town. I have bought \$1,750,000 of bonds and had them delivered to me when I requested it; and I can send money to any part of the United States by express companies as merchandise, and it is customary to transfer securities——

The CHAIRMAN (interposing). No matter what is customary, the Treasury Department has its method of transacting business.

Mr. GRAVES. The Treasury Department said that it would deliver bonds on the date of payment.

The CHAIRMAN. Yes, but that date has not come in your case, has it?

Mr. GRAVES. They declined to send them.

The CHAIRMAN. You did not expect them to send them until the money was tendered?

Mr. GRAVES. I expected the courtesy on the part of the United States officers to deliver the bonds in their own keeping in New York or elsewhere, as long as they were in their own custody, if they could get \$200,000 ahead of what they saw fit to let someone else have them for.

Senator WALTHALL. You expect to prove by Mr. Thalmann that while he did not make an actual tender, he made such offer of payment as was expected from other persons?

Mr. GRAVES. As I understand it, yes.

Senator WALTHALL. That is what you expect to prove by him?

Mr. GRAVES. Yes. Here is a case to-day, with the Third National Bank, which paid in their gold and took a receipt in their own name and called it a temporary receipt, until such time as they saw fit to make it out otherwise.

The CHAIRMAN. We have had two very intelligent bankers before us within the last hour and each one of them has supported accurately the statement of Mr. Jordan as to the invariable method by which bonds are received by bond purchasers.

I will submit the question to the committee, for I do not think Mr. Thalmann (judging from the communication he sent us) intends to come here. If the committee say so, we will issue a subpoena for him, and have it regularly served upon him and endeavor to bring him here. Mr. Thalmann reports that he is indisposed and can not come. We telegraphed him that if he could meet us here at 10 o'clock to-morrow we would hold the committee open and examine him to-morrow at 10 o'clock. I am not inclined to deprive you, Mr. Graves, of the testimony of any witness who can throw any additional light on your transaction.

Mr. GRAVES. I want to undertake to prove that Mr. Carlisle has no right to consider my bid a fictitious bid.

The CHAIRMAN. You are arguing a legal question now. We want you to bring us facts. We do not want legal arguments. Facts are the only things that can be of benefit in the case.

Mr. GRAVES. The facts are that I have stood ready in a condition to meet the obligations and terms of my contract and purchase.

HARLAN W. WHIPPLE, SWORN AND EXAMINED.

Senator VEST. What is your business?

Mr. WHIPPLE. I am an employee of the New York Security and Trust Company, 46 Wall street.

Senator VEST. Have you any knowledge with regard to the purchase of bonds sold by the Government in 1894, 1895, and 1896, to corporations or individuals here, in regard to which you were alleged to have made a statement to Mr. Graves?

Mr. WHIPPLE. We bid on some bonds in 1896, but we did not get them.

Senator VEST. Whom do you mean by "we?"

Mr. WHIPPLE. The Trust Company.

Senator VEST. Did you make any statement to Mr. Graves as to the manner in which that business was transacted or attempted to be transacted?

Mr. WHIPPLE. I do not remember that I did; no, sir.

Senator VEST. Do you remember ever having made any statement to him?

Mr. WHIPPLE. I tried to buy his allotment.

Senator VEST. What passed between you?

Mr. WHIPPLE. We had some negotiations in regard to the sale of his allotment to the Trust Company, and we substantially agreed on a sale to the Trust Company of his allotment.

Senator VEST. What time was that?

Mr. WHIPPLE. That was on Wednesday, Lincoln's birthday; I forget the day of the month. It was the Wednesday before the 15th.

Senator VEST. What passed between you and him in regard to that?

Mr. WHIPPLE. We were desirous of purchasing his allotment, if we could do it at a price satisfactory to us and to him, and substantially agreed on the terms, subject to ratification by the president of the company, and on the next day he thought he could do better—that is, the next business day—and so the negotiation fell through.

Senator VEST. And that was the last of it?

Mr. WHIPPLE. Well, I saw him again on Friday, the day before the 15th. I learned then that his other negotiations had fallen through, as I remember it now, and thought perhaps we might then trade with him, but we were unable to do so and that ended it.

Senator VEST. He was endeavoring to sell his allotment of bonds, was that it?

Mr. WHIPPLE. I do not think that that statement of the case would be fair to Mr. Graves. I saw him in the first place. I went to his office.

Senator VEST. You had heard that he had been allotted some bonds?

Mr. WHIPPLE. I saw in the papers that he had been allotted the bonds.

Senator VEST. Did you make any statement to him in regard to what had passed as to the sale of the bonds to other bidders?

Mr. WHIPPLE. No, sir; not that I remember.

Senator VEST. What were you to give him for those that were allotted to him?

Mr. WHIPPLE. I do not know that I recall the exact figures. I think it was 16 and interest, and he was to furnish the gold.

Senator VEST. More than the figure of his allotment?

Mr. WHIPPLE. Well, I do not know that I can say yes to that. It was a question how much the gold might cost him.

The CHAIRMAN. You say *he* was to furnish the gold?

Mr. WHIPPLE. Yes.

The CHAIRMAN. To *you*—to buy his allotment?

Mr. WHIPPLE. We were to furnish the money to pay for the gold.

Senator VEST. Let us understand each other. You were to furnish that gold to meet the terms of the Government sale?

Mr. WHIPPLE. No, sir; that is not my meaning.

Senator VEST. What do you mean by “furnishing” the gold?

Mr. WHIPPLE. I mean we were to furnish the *money* by which he was to buy the gold and make the payment.

Senator VEST. Were you just going to pay so much money into his hands to go and buy gold?

Mr. WHIPPLE. No; we expected to make the contract for the gold, and we would go to the parties with the money and pay for the gold and go to the Treasury and take a receipt, as we did in other cases.

Senator VEST. That amounts to the same thing. You were to furnish the gold?

Mr. WHIPPLE. We were to furnish the money.

Senator VEST. Well, as I say, that amounts to the same thing. You were not going to let any money go until you got the gold?

Mr. WHIPPLE. Oh, no.

Senator VEST. And whatever the excess was over the bid, on the amount that was allotted to him, he made, in the transaction?

Mr. WHIPPLE. Yes.

Senator VEST. But the whole thing fell through?

Mr. WHIPPLE. Yes.

Senator VEST. That is all you know about it?

Mr. WHIPPLE. Yes.

Senator VEST (to Mr. Graves). Is there anything that you would like to ask this witness, Mr. Graves?

Mr. GRAVES. I would like, Senator, to have you ask him as to the transaction between Donaldson and Crain and parties in Buffalo, and whether it was not a fact that it was necessary for them to come to New York to make the first payment of the percentage, and that the succeeding payments were made by the New York Security and Trust Company or the New York Life Insurance Company as they matured. That is one question. And then, in connection with that, ask him whether or not —

The CHAIRMAN. Let us deal with one question at a time. What is your answer, Mr. Whipple, to the question suggested by Mr. Graves?

Mr. WHIPPLE. The parties to whom he refers had an allotment of bonds, the same as he did, which we purchased, and they all had to come to New York to sign the receipt in the presence of the subtreasurer, which they did. Subsequent to that time we made their payment, took the receipts, and sent them to Buffalo, and they were assigned and returned to us. We sent them to Washington and got the bonds as proposed in the circular of the Government—according to the plan they proposed.

The CHAIRMAN. You, in their name, deposited the subsequent payments?

Mr. WHIPPLE. Yes.

The CHAIRMAN. And took a receipt in their name?

Mr. WHIPPLE. Yes.

The CHAIRMAN. And sent that receipt to Buffalo?

Mr. WHIPPLE. Yes.

The CHAIRMAN. There you got their assignment?

Mr. WHIPPLE. Yes.

The CHAIRMAN. You sent that receipt with the assignment to Washington, and the bonds were issued after that receipt had been received at the Treasury?

Mr. WHIPPLE. Yes.

Senator WALTHALL. That transaction occurred before the 15th of February, did it not—the initial step?

Mr. WHIPPLE. Yes. We made the first payment before the 15th of February. I can not, however, recollect the exact date.

Mr. GRAVES. May I ask the witness a question?

The CHAIRMAN. You may suggest one.

Mr. GRAVES. I wish to ask whether Mr. Whipple did not say to me that his people received a telephonic message from Washington of the allotment of bonds, that the gold was paid into the subtreasury, and that the bonds were received on the 8th of February without any receipt going to Washington?

Mr. WHIPPLE. No, sir; I never knew any such case and I hardly think I could have told you that when I did not know of it.

Mr. GRAVES. Then I asked you as to the amount of that transaction and you told me that it was about \$200,000.

Mr. WHIPPLE. I do not recall it at all. I think I did tell you of a payment that was made on the 8th. That was the previous Saturday.

Mr. GRAVES. Yes.

Mr. WHIPPLE. But in that case the receipt was taken in the manner already explained and the receipt sent to Washington and the bonds sent back.

Mr. GRAVES. Before the allotment notices were received?

Mr. WHIPPLE. That was the Saturday before, I think.

Mr. GRAVES. I took a memorandum of it at the time you told me.

The CHAIRMAN (to Mr. Whipple). Do you know of any case where a bond had been issued (delivered to a subscriber) before the money was paid into the subtreasury here and a receipt given and that receipt sent to Washington?

Mr. WHIPPLE. No, sir.

Senator WALTHALL. This transaction that you had for these people was in strict accordance, was it, with the terms offered by the Secretary of the Treasury, or was there any departure from those terms?

Mr. WHIPPLE. No departure whatever.

Senator WALTHALL. It was in the usual way?

Mr. WHIPPLE. Yes.

Mr. Whipple withdrew.

JAMES IRVINE, SWORN AND EXAMINED.

The CHAIRMAN (to Mr. Graves). Mr. Irvine has been requested to come here at your request. What is it that you expect to prove by him?

Mr. GRAVES. I wanted to prove by him that gold was deposited in the Park Bank, the Chase National Bank, and the Hanover National Bank (I think the Hanover) on Saturday morning, in payment for the bonds of my purchase, through the labors of Kitchen & Co., and that the president of the Hanover Bank or the president of the Chase

Bank went over to see Mr. Jordan and for some reason came back and declined to have anything to do with the transaction of taking these bonds from me; and no explanation was given of the matter.

The CHAIRMAN. Gold was deposited in one of those banks, you say. By whom?

Mr. GRAVES. By Kitchen & Co.

The CHAIRMAN (to Mr. Irvine). You have heard that statement of Mr. Graves. What answer have you to make with reference to it?

Mr. IRVINE. I have no knowledge of those facts, whatever—no knowledge of my own.

The CHAIRMAN. No personal knowledge?

Mr. IRVINE. No personal knowledge of those facts, though I believe it was stated a little bit differently. I will only state a fact that I believe to be true—that is, that Mr. Kitchen had arranged for the gold if he could have found a purchaser for the bonds. He could have got a certified check for the purchase of the gold, but he could not get a purchaser for the bonds.

Mr. GRAVES. May I ask a question? Did not the president of the Hanover Bank go to see Mr. Jordan and when he came back refuse to have anything to do with the transaction?

The CHAIRMAN (to Mr. Irvine). Have you any personal knowledge of any transaction such as that?

Mr. IRVINE. I have none whatever.

The CHAIRMAN (to Mr. Graves). Is there any other question that you desire to have propounded to Mr. Irvine?

Mr. GRAVES. I would like to have him, if he will, tell of the statement that he made to me at about ten minutes to 1 on the 15th—ten minutes before the Treasury closed?

The CHAIRMAN. Did you make any statement to Mr. Graves at ten minutes before 1, or thereabouts, on the 15th of February, 1896?

Mr. IRVINE. I do not know. We were all there together; I may have done so. If he will call my attention to any statement that I am supposed to have made, I will state.

The CHAIRMAN (to Mr. Graves). Upon what subject was Mr. Irvine's statement to you?

Mr. GRAVES. It was that if the papers did not talk too much, I would be cared for in this matter.

The CHAIRMAN (to Mr. Irvine). Did you make any such statement to Mr. Graves?

Mr. IRVINE. I did not make it just in that way.

The CHAIRMAN. What statement did you make to him?

Mr. IRVINE. I made a statement to Mr. Graves that if he did not go to work and get me into this newspaper controversy, we—that is, I—would see that something or other would be done for him—that our company would find something for him to do. I had no particular thing in mind at the time to put him at, but that was what I meant. I did not want to be involved in any newspaper controversy in connection with this bid of Mr. Graves, nor to get any newspaper notoriety on it myself, nor have our company mixed up with it in any way.

Senator WALTHALL. What did you think you were in danger of being mixed up with in connection with it?

Mr. IRVINE. I did not like notoriety.

Senator WALTHALL. Why did you think you were in danger?

Mr. IRVINE. Because he said that the newspaper reporters were following him—even out to his house, and I did not wish to be mixed up in that sort of thing.

Senator WALTHALL. You had really no connection with it, had you?

Mr. IRVINE. Only in trying to help him sell his bonds.

Senator WALTHALL. And failed?

Mr. IRVINE. And failed; that was all. Now, having failed, I wanted to be quiet about it. That was all.

The CHAIRMAN (to Mr. Graves). Do you want any other questions propounded to Mr. Irvine?

Mr. GRAVES. I wanted to know whether the transaction I spoke of was with the Hanover Bank, the Chase Bank, or the New York Life Company.

Mr. IRVINE. I do not know anything about those things. What I did was to introduce Mr. Graves to Mr. Kitchen. I introduced him to Mr. Kitchen, and whatever was done about that, Mr. James Kitchen did.

Senator WALTHALL. As I understand it, there was nothing done about it?

Mr. IRVINE. No, sir.

Senator WALTHALL. You failed to connect?

Mr. IRVINE. Failed to connect; could not find a buyer for the bonds; got all the other details arranged; got the gold arranged for—Mr. Kitchen did, but he could not find a buyer for the bonds.

The CHAIRMAN (to Mr. Graves). If you desire, you may have Mr. James Kitchen and Mr. Thalmann here to-morrow morning at 10 o'clock and we will examine them. If not, we shall adjourn at 10 o'clock to-morrow. We stay here now simply to give you the opportunity to get them here, if you can.

Mr. GRAVES. I will do what I can about it. I should be glad to have Mr. Thalmann here.

The committee then adjourned until June 20, 1896, at 10 a. m.

HOFFMAN HOUSE, *New York, June 20, 1896.*

The committee met pursuant to adjournment. Present, Messrs. Harris (chairman), Vest, Jones of Nevada, Walthall, and Platt.

Mr. Graves asked permission to file an attorney's brief, so that it may become a part of the record of the committee.

Upon consultation the committee declined to permit the filing, as part of the record, of an attorney's brief, but were willing to hear any facts.

Mr. GRAVES. I am unable to furnish the legal fact as to my individual understanding of my title to those bonds, but I make this charge against Mr. Carlisle in the interest of all bonds that were considered in default, that he illegally took possession of those properties and transferred them without authority of law to his choice. I make that in the interest of all defaulted bonds—\$4,700,000. There has been no statement of Mr. Carlisle meeting in Washington on the anniversary of Lincoln's birthday—February 12th—

The CHAIRMAN (interposing). We have had all the *facts* in relation to the Secretary of the Treasury in delivering the bonds to the subscribers, and the facts were the only things that we were here to obtain. The committee has extended to you very great courtesy, and has gone to the extent of summoning and examining four or five or more witnesses. We are now waiting for two other witnesses. The committee would not have met this morning but for the fact of your desire that we should examine those witnesses.

Senator VEST. We have been as kind as possible to you, Mr. Graves,

and have allowed a great deal more latitude than you or anybody else was entitled to. If you want to make an argument, send your brief to us, and I will undertake, for myself, to read it carefully. Then, if you will get the statements of these persons whom you wish examined, and who have not appeared, particularly Mr. Thalmann, and will send them to the chairman of the committee, with any exhibits that may be pertinent, they will be considered; and if, at our next meeting, we think it necessary to send for those parties and cross-examine them, we will do so, but we can not stay here indefinitely.

Mr. GRAVES. I appreciate the kindness of the Senator. The course he suggests is in keeping with my wishes, and I thank him.

Senator VEST. The trouble is, that the Congressional statute relating to the examination of witnesses is exceedingly defective, and applies to the District of Columbia only. We can not enforce the attendance of witnesses here or outside the District. They can defy us with impunity, but if we go to Washington City we can issue our subpoena. We can there enforce their attendance, and if they refuse to answer our questions we can have them indicted, as witnesses are now under indictment, and one of them under conviction, for refusing to answer questions of Congressional committees propounded last winter.

Mr. GRAVES. I shall be glad to file a brief in accordance with my statement substantiating my charges.

The subcommittee then adjourned, subject to the call of its chairman.

CORRESPONDENCE, ETC.

LETTERS OF WILLIAM GRAVES.

NEW YORK, *May 13, 1896.*

DEAR SIR: I am willing to do all I can to aid in the investigation of the transaction between Mr. Carlisle and myself in relation to the sale to me of \$4,500,000 of the issue of bonds of February last. You have before you my sworn complaint in my suit against Carlisle, and his answer to my complaint. I shall be glad to appear before your committee upon demand, but my patriotic instincts do not warrant me in volunteering my time and expense in such investigation. There are several here who should be demanded to appear, whose knowledge, if obtained, would greatly aid you.

Yours, truly,
Hon. Senator MORRILL.

WILLIAM GRAVES.

I. B. NEWCOMBE, 80 BROADWAY,
New York, May 28, 1896.

DEAR SIR: I shall be glad to furnish you with such evidence as I possess as may aid you in proving the friendly (?) relations between Mr. Carlisle and Mr. J. P. Morgan in the recent Government bond issue; and also such evidence as will convince you that Mr. Carlisle has seen fit to confiscate \$4,500,000 bonds which were sold to the writer by the Government, claiming me in default, when in fact the last payment is not yet due, and selling such bonds so confiscated to J. P. Morgan & Co. below the stock exchange market quotations to an amount of over \$300,000.

And even though the construction could be placed upon the transaction of default upon my payment, I can prove that I could have furnished the cash to pay for the same in accordance with usual banking methods, but was refused by the Hon. Mr. Carlisle.

And again, if I so defaulted Mr. Carlisle had no right to use discretion in disposing of my property so bought by me excepting to the best advantage, and then he should have rendered me an accounting.

J. P. Morgan & Co. had all the bonds allotted to them (\$34,000,000) from the \$100,000,000 issue, and there the transaction ended, and any defaulting sums or allotted sales could not by any honorable construction be permitted to pass to any purchaser of fractions of or all of the \$100,000,000-bond sale.

Yours, truly,

Hon. United States Senator VEST,
Chairman of Subfinance Committee.

WILLIAM GRAVES.

I. B. NEWCOMBE, 80 BROADWAY,
New York, June 1, 1896.

DEAR SIR: Mr. Thomas Hitchcock, of the Atlantic Trust Company, also part owner of the New York Sun and a contributor to the financial column under the name of Mathew Marshall, has written in his paper an article regarding the transaction between the United States Treasury Department and the writer, wherein he claims that in case I defaulted upon the purchase of my \$4,500,000 bonds that the Government had no way to legally dispose of my bonds to private parties, but they should have been disposed of to the best advantage and an accounting rendered to me; and that the action of disposing of these bonds to J. P. Morgan & Co., under the plea of their having bid for any or all of the \$100,000,000, was illegal, and had the transaction

been in private life it would have considered unjust and severely censured; and he further claims me not in default until notice had been given me and my time to pay (June 15, 1896) had expired.

Mr. Thomas Hitchcock's opinion is held in the highest esteem in financial transactions in this circle (Wall street), and on one occasion I called upon Evarts, Choate & Beman, and in conversation with Mr. Evarts he volunteered the remark that he had read the article and quite coincided with Mathew Marshall (Thomas Hitchcock). I can but refer you to the New York Sun or Mathew Marshall, not having the article with me, and you, of course, can easily learn of the high opinion in which he is held. You will understand my statements credited herein are my version of the article, and given as near as my memory affords, which opinion is generally entertained.

Yours, truly,

WILLIAM GRAVES.

Hon. United States Senator VEST,
Chairman Subcommittee of Finance.

HOFFMAN HOUSE,
New York City, June 15, 1896.

SIR: I am directed by the subcommittee of the Finance Committee, appointed to investigate the sale of United States bonds by the Government during the years 1894, 1895, and 1896, to advise you that they will have a session at the Hoffman House, New York City, at 11 o'clock Friday morning, when any statement you may desire to submit will be heard.

Very respectfully,

ISHAM G. HARRIS,
Chairman Subcommittee.

WM. GRAVES, Esq.,
80 Broadway, New York City.

LETTER OF WILLIAM COX.

ROCHESTER, N. Y., *May 15, 1896.*

GENTLEMEN: The following may have a bearing or possibly cast a faint side light on the influences that led to the sale of United States bonds to a syndicate of bankers:

In the *Coming Nation*, a paper published in Tennessee City, Tenn., issue of November 2, 1895, under the head of a "Bankers' Conspiracy," is an alleged copy of a circular issued March 12, 1893, by the Bankers' Association to National Banks. It reads as follows:

"DEAR SIR: The interest of national bankers require immediate financial legislation by Congress.

"Silver.—Silver certificates and Treasury notes must be retired and national-bank notes and a gold basis made the only money. This will require the authorization of from \$500,000,000 to \$1,000,000,000 of new bonds as a basis of circulation.

"You will at once retire one-third of your circulation and call in one-half of your loans.

"Be careful to make a money stringency felt among your patrons, especially among influential business men.

"Advocate an extra session of Congress for the repeal of the purchasing clause of the Sherman law, and act with the other banks of your city in securing a large petition to Congress for its unconditional repeal.

"Use your personal influence with Congressmen, and particularly let your wishes be known to your Senators.

"The future life of national banks, as fixed and safe investments, depends upon immediate action, as there is an increasing sentiment in favor of Government legal-tender notes and silver coinage."

In conjunction with the above, view the course pursued by the managers of the Mutual Life Insurance Company sending notices to creditors that the rate of interest on their outstanding loans would be increased and in their pressings for payments on and the foreclosure of mortgages after the issuing of that bankers' circular of March 12, 1893.

June 30, 1893, President Cleveland called for an extra session of Congress, to meet August 7, 1893, for the purpose of repealing the silver-purchasing clause in the Sherman bill.

The next day, July 1, 1893, Mr. Cleveland's attention was (in a letter) specially called to the congested state of our finances, and that fact was placed before him in these words:

"Besides Treasury notes and national-bank bills there is now (July 1, 1893) upward of a hundred million gold-certificate notes and two hundred millions of silver certificates

outstanding. Business is paralyzed for want of money. Is the money locked in the vaults of moneyed corporations to play a trick, in order to force the Government into issuing gold-bearing interest bonds in exchange for noninterest-bearing certificates?"

In 1893 the capital of the national banks was \$684,342,024; surplus, \$246,918,673; total, \$931,260,697. This amount, used in business of loans and discounts, would be largely increased in the bank business exhibits. Any action taken by the 3,759 national banks looking to the retiring of one-third of their circulation and in calling in one-half of their loans could not but work wreckage and disaster to trade and make a money stringency.

During 1893 upward of fifteen thousand business concerns failed, with assets of \$231,000,000 and liabilities of \$151,000,000. Fifteen thousand business men in one year in the United States placed hors de combat is a sickening sight for perception and woe and misery to the nation.

Can anyone view the evidence and not agree upon the cause of financial distress? Financial distress has, in its train, brought on the nation a terrible calamity in the enormous increase of self-murder. People have died the death rather than face starvation. The banker's demands to stand and deliver five hundred to one thousand million of bonds on a gold basis or take the financial life of the nation must be met and liquidated for the people with the inflexible spirit of justice.

WILLIAM COX,
450 Genesee street, Rochester, N. Y.

Hon. ISHAM G. HARRIS, GEORGE G. VEST,
EDW. C. WALTHALL, ORVILLE H. PLATT, JOHN P. JONES,
Senatorial Committee on Peffer Resolution
Inquiring into Bond Issues on Account of Gold.

LETTER OF H. M. McDONALD.

THE INVESTMENT CORPORATION,
JOHNSTON BUILDING, 34 BROAD STREET,
New York, June 13, 1896.

SIR: I notice from the New York papers that the bond investigation committee, of which you are chairman, will examine Secretary Carlisle and other witnesses during the coming week. I inclose you copy of a speech of Senator Pettigrew, delivered in the Senate on March 5. You will find, upon pages 10, 13, 14, and 15, the copies of the offer made by this corporation for the purchase of the United States Government fours, sold in February last by the United States Government, and defaulted upon by Graves and others. Also copy of argument submitted in connection with our offer for the above bonds.

We beg to suggest to your committee the advisability of examining Secretary Carlisle specifically in reference to this transaction, as we believe that the Government was coolly "chiseled out" of at least \$200,000 in amount, which might have been received by making sale of the bonds to this corporation or to other responsible parties.

We are informed, I believe creditably, that an order had been prepared providing that the Graves and other bonds, payment upon which was defaulted, be sent to New York and sold to the highest bidder at the United States subtreasury here; but that upon the very day upon which such order was to be transmitted to New York Secretary Carlisle was summoned to the White House, and upon his return an order was issued (in lieu of the one to which we have referred) directing that the bonds be delivered to the Morgan syndicate at the price at which that syndicate obtained some \$33,000,000 of the bonds.

We would also suggest to your committee the advisability of examining Mr. J. K. Graves as to why he withdrew the legal proceedings which he instituted at Washington some thirty or more days ago in connection with the \$4,500,000 of bonds which he claims should have been delivered to himself and associates.

It has been rumored in New York that the Morgan syndicate or other parties in interest induced Mr. Graves, by a money consideration, to withdraw the suit which we have referred to.

I now expect to be in Washington on Monday, the 15th instant, stopping at the Ebbitt House. If you deem that a personal interview would be of any advantage in connection with the matters to which I have referred I should be glad to meet such appointment as you may be pleased to make.

Very respectfully, yours,

H. M. McDONALD.

Hon. G. G. VEST,
Chairman of the United States Senatorial Bond Investigation Committee,
Washington, D. C.

TELEGRAMS AND REPLIES.

NEW YORK CITY, *June 15, 1896.*AUGUST BELMONT, *New York City:*

The Senate subcommittee appointed to investigate the sales of bonds by the Government during the past three years will be in session at the Hoffman House, New York City, at 11 o'clock Thursday morning, June 18, at which hour they desire your presence before them as a witness.

ISHAM G. HARRIS, *Chairman.*

Telegrams of like import were sent to J. Pierpont Morgan, Francis Lynde Stetson, John A. Stewart, and Conrad N. Jordan.

Copy of summons sent to the parties below named.

HOFFMAN HOUSE,
Subcommittee on Bond Investigation, June 18, 1896.

DEAR SIR: The subcommittee of the Committee on Finance, designated to investigate the sale of United States bonds during the years 1894, 1895, and 1896, referred to in the accompanying resolution, are in session at the Hoffman House, room 309, and would be pleased to have you appear before them on Friday, June 19, at 2.30 o'clock p. m.

Will you please advise me by the messenger if you will be present.

Very respectfully,

ISHAM G. HARRIS, *Chairman.*

Delivered to: James T. Woodward, president Hanover National Bank, New York City; Henry Chapin, jr., cashier Third National Bank, New York City; Edward N. Gibbs, treasurer New York Life Insurance Company, New York City; W. R. Whipple, New York Security and Trust Company, New York City; James Irvine, president New York Equipment Company, New York City; Ernest Thalmann, Ladenburg, Thalmann & Co., New York City; James Kitchen, 26 Broad street, New York City; C. B. Kitchen, 26 Broad street, New York City.

The following parties appeared before the subcommittee in obedience to the above summons:

Henry Chapin, jr., James T. Woodward, Harlan W. Whipple, and James Irvine.

The following correspondence took place between the chairman and Ladenburg, Thalmann & Co.:

NEW YORK, *June 19, 1896.*

DEAR SIR: We received your kind invitation addressed to our Mr. Ernst Thalmann, to appear before your committee this afternoon. Mr. Thalmann, however, is not quite well, and is therefore unable to comply with your wishes.

Very truly, yours,

LADENBURG, THALMANN & CO.,
Per R. LADENBURG.

ISHAM G. HARRIS, ESQ.

Chairman Subcommittee, Committee on Finance, City.

To this reply a telephone message was dispatched to Mr. Ladenburg, asking if he could appear before the committee during the day.

This was followed by a letter to Mr. Thalmann, as follows:

HOFFMAN HOUSE, *June 19, 1896.*

DEAR SIR: The committee have received your favor of this date, and desire to say that if you can not comply with their request for this afternoon, they will be pleased to have you as a witness for to-morrow morning (Saturday) at 10 o'clock. They would, however, much prefer you to be present this afternoon. Please reply by the messenger.

Very respectfully,

ISHAM G. HARRIS,
Chairman.

To this Messrs. Ladenburg, Thalmann & Co. replied as follows:

NEW YORK, *June 19, 1896.*

DEAR SIR: In reply to your letter of this day we beg to say that Mr. Thalmann is not in the office on account of his illness, and will probably not be in town to-morrow

but remain at Long Branch, where he is living. We shall, however, advise you in due time whether he will be able to call on you to-morrow at 10 o'clock.

Very truly, yours,

LADENBURG, THALMANN & Co.

ISHAM G. HARRIS, Esq.,

Chairman Subcommittee, Committee of Finance, City.

Subsequently word was received from Messrs. Ladenburg, Thalmann & Co., that Mr. Thalmann was too ill to be present.

The messengers were unable to find Mr. Edward N. Gibbs, or Mr. C. B. Kitchen, or Mr. James Kitchen.

Subsequently the following letter was received from Mr. James Kitchen:

NEW YORK, *June 25, 1896.*

DEAR SIR: I learned by last Sunday's papers that your committee, which was in session in this city last week, desired my presence as a witness in regard to some bonds that Mr. William Graves had bid for, his bid having been accepted by the Secretary of the Treasury.

I had no knowledge that my presence was desired until I read the facts in the Sunday papers.

Mr. Graves knew perfectly well where my place of business was, and if I had been notified in time I should have complied with your invitation or summons.

Our relations with Mr. Graves were very slight; so was our acquaintance. We were introduced to him late Friday afternoon, February 14 last, and he asked us to try and sell his allotment of \$4,500,000 of bonds.

We worked as hard as we knew how to accomplish this end, but the time was very limited, as we had only three business hours in which to find a purchaser or buyer and to provide and deposit over \$1,000,000 in gold in the subtreasury in payment for the first 20 per cent of the allotment to William Graves and associates (whoever they might be).

The principal obstacle to the sale of the allotment was the word "associates." We think Mr. Graves had no associates when he signed that bid, and the question arose in the minds of the parties that might have been induced to buy the allotment, whether or no someone might not turn up in the future and claim a share in this allotment.

The margin of profit was extremely small, owing to the fact that gold was commanding a premium.

Again, the financial standing of Mr. Graves was such as to make men extremely cautious about assuming a \$5,000,000 gold contract on his account.

Again, conceding that Mr. Graves would have signed his allotment in good faith and maintained the same throughout the entire transaction, there was no tangible way in which we could positively and legally bind him beyond the payment of any individual installment; that is to say, when we payed in the gold on the first installment, we could have had him, then and there, assign the bonds thus paid for. The same form of business would have been necessary when each installment became due and payable, and this time extended over many weeks. It was out of the question to find any buyer under the existing circumstances who was in a position to pay for the entire allotment then (Saturday, February 15).

At no time did we offer any gold in payment for any portion of these bonds at the subtreasury. Our negotiations did not reach that point. Mr. Graves has known all of these facts ever since they occurred.

Finally, Mr. Chairman, we did our very best to sell this allotment for Mr. Graves for the sake of the commission that was offered us, but, much to our regret, we were unsuccessful.

I first thought I would not bother you with any letter, but on reflection I have come to the conclusion that it is the right thing for me to do to make this statement, and should your committee desire to have me before them, I am at your service.

Yours, truly,

JAMES KITCHEN.

Hon. ISHAM G. HARRIS,

Chairman, Washington, D. C.

Mr. H. W. Whipple replied as follows:

NEW YORK SECURITY AND TRUST COMPANY,

New York, June 19, 1896.

DEAR SIR: Your note of June 18 requesting my presence before your committee this afternoon at 2.30, received. I have no information that I can imagine would be of the slightest service to your committee, but if you think, notwithstanding that

fact, you would like to have me present this afternoon, please advise me by telephone and I will be present.

Yours, truly,

H. W. WHIPPLE.

Hon. ISHAM G. HARRIS,
Chairman Subcommittee, Hoffman House, City.

Following this letter, Mr. Whipple was notified to be present at 3 o'clock p. m., June 19.

LETTER FROM AUGUST BELMONT IN EXPLANATION OF HIS TESTIMONY.

23 NASSAU STREET,
New York, June 19, 1896.

DEAR SIR: In referring to some more papers that I had in the country I found another error in my testimony, and although it is really not very important, still I desire to correct it.

I find that I did call on Secretary Lamont on the first visit to Washington. I called at the War Department, but my visit was short, and was only for the purpose of having him find out if I could see the President. If I am not mistaken, there was a Cabinet meeting that day, and I subsequently received a note from Secretary Lamont at Chamberlin's, stating that the President could not see me. The general impression in my mind was that this occurred on my second visit, but I find that it was on the first.

My notice from the secretary of your committee was so short that with my many other business engagements and duties I had very little time to refresh my memory. As these are trifling matters, you can take notice of them or not as you deem best.

I remain, yours, truly,

AUGUST BELMONT.

I see so many errors in the newspaper reports that I request a copy of the stenographer's report, to review and correct if necessary.

A. B.

Hon. ISHAM G. HARRIS,
Chairman Bond Investigation Committee, Hoffman House, City.

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